SCHOOL DISTRICT

OF

TOWNSHIP OF HOPEWELL

ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the

Township of Hopewell Board of Education
Bridgeton, New Jersey

For the Fiscal Year Ended June 30, 2025

ANNUAL COMPREHENSIVE FINANCIAL REPORT

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For the Fiscal Year Ended June 30, 2025

Prepared by

Bridgeton Township Board of Education

Finance Department

ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE HOPEWELL TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS

INTRODUCTORY SECTION

Exhibit		Page
	Letter of Transmittal	1-4
	Organizational Chart	5
	Roster of Officials	6
	Consultants and Advisors	7
	Not Used	8-9

FINANCIAL SECTION

	Independent Auditor's Report	10-12
	Required Supplementary Information – Part I	
	Management's Discussion and Analysis (Unaudited)	13-21
Basic Financial Statements		
A.	District-Wide Financial Statements:	
A-1	Statement of Net Position	22
A-2	Statement of Activities	23
B.	Fund Financial Statements:	
	Governmental Funds:	
B-1	Balance Sheet	24
B-2	Statement of Revenues, Expenditures, and Changes in Fund Balance	25
B-3	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	26
	Proprietary Funds:	
B-4	Statement of Net Position	27
B-5	Statement of Revenues, Expenses, and Changes in Fund Net Position	28
B-6	Statement of Cash Flows	29
	Fiduciary Funds:	
B-7	Statement of Fiduciary Net Position	N/A
B-8	Statement of Changes in Fiduciary Net Position	N/A
Notes to the Financial Statements		30-64
Required Supplementary Information – Part II		
C.	Budgetary Comparison Schedules: (Unaudited)	
C-1	Budgetary Comparison Schedule – General Fund	65-70
C-1a	Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	N/A
C-1b	Community Development Block Grant – Budget and Actual	N/A
C-2	Budgetary Comparison Schedule – Special Revenue Fund	71

ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE HOPEWELL TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS

FINANCIAL SECTION (Continued)

Exhibit		Page
Notes to the Required Supplementary Information		
C-3	Budget-to-GAAP Reconciliation	72
Required Supplementary Information - Part III		
L.	Schedules Related to Accounting and Reporting for Pensions (GASB 68) (Unaudited)	
L-1	Schedule of the District's Proportionate Share of the Net Pension Liability – PERS	73
L-2	Schedule of District Contributions – PERS	74
L-3	Schedule of the District's Proportionate Share of the Net Pension Liability – TPAF	75
M.	Schedules Related to Accounting and Reporting for Postemployment Benefits Other Than Pensions	
M-1	Schedule of Changes in the Total OPEB Liability – and Related Ratios	76
Other Supplementary Information		
D.	School Based Budget Schedules:	
D-1	Combining Balance Sheet	N/A
D-2	Blended Resource Fund – Schedule of Expenditures Allocated by Resource Type – Actual	N/A
D-3	Blended Resource Fund – Schedule of Blended Expenditures – Budget and Actual	N/A
E.	Special Revenue Fund:	
E-1	Combining Schedule of Program Revenues and Expenditures – Budgetary Basis includes Student Activity and Scholarship Funds	77-78
E-2	Preschool Education Aid Schedule(s) of Expenditures – Budgetary Basis	79
F.	Capital Projects Fund:	
F-1	Summary Schedule of Project Expenditures	N/A
F-2	Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis	N/A
F-2A-B	Schedule(s) of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis	N/A
Not Used		80-83

ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE HOPEWELL TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS

FINANCIAL SECTION (Continued)

Exhibit		Page
G.	Proprietary Funds:	
	Enterprise Fund:	
G-1	Combining Schedule of Net Position	84
G-2	Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position	85
G-3	Combining Schedule of Cash Flows	86
	Internal Service Fund:	
G-4	Combining Schedule of Net Position	87
G-5	Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position	88
G-6	Combining Schedule of Cash Flows	89
H.	Fiduciary Funds:	
H-1	Combining Statement of Fiduciary Net Position	N/A
H-2	Combining Statement of Changes in Fiduciary Net Position	N/A
I.	Long-Term Debt:	
I-1	Statement of Serial Bonds	90
I-2	Schedule of Obligations under Capital Leases	N/A
I-3	Debt Service Fund Budgetary Comparison Schedule	91
Not Used		92-95

STATISTICAL SECTION (Unaudited)

J.	Introduction to the Statistical Section	
Financial Trends Information/Schedules		
J-1	Net Position by Component	96
J-2	Changes in Net Position	97
J-3	Fund Balances – Governmental Funds	98
J-4	Changes in Fund Balances - Governmental Funds	99
J-5	General Fund Other Local Revenue by Source	100
Revenue Capacity Information		
J-6	Assessed Value and Estimated Actual Value of Taxable Property	101-103
J-7	Direct and Overlapping Property Tax Rates	104-105
J-8	Principal Property Taxpayers	106-107
J-9	Property Tax Levies and Collections	108
Debt Capacity Information		
J-10	Ratios of Outstanding Debt by Type	109
J-11	Ratios of General Bonded Debt Outstanding	110
J-12	Direct and Overlapping Governmental Activities Debt	111
J-13	Legal Debt Margin Information	112

ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE HOPEWELL TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS

FINANCIAL SECTION (Continued)

Exhibit		Page
Demographic and Economic Information		
J-14	Demographic and Economic Statistics	113-114
J-15	Principal Employers	115
Operating Information		
J-16	Full-time Equivalent District Employees by Function/Program	116
J-17	Operating Statistics	117
J-18	School Building Information	118
J-19	Schedule of Required Maintenance Expenditures by School Facility	119
J-20	Insurance Schedule	120

SINGLE AUDIT SECTION

K-1	Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	121-122
K-2	Report on Compliance for Each Major Program on Internal Control Over Compliance Required by Uniform Guidance and New Jersey OMB Circular 15-08	123-125
K-3	Schedule of Expenditures of Federal Awards - Schedule A	126
K-4	Schedule of Expenditures of State Financial Assistance - Schedule B	127
K-5	Notes to the Schedules of Awards and Financial Assistance	128-129
K-6	Schedule of Findings and Questioned Costs - Section I - Summary of Auditor's Reports - Section II - Financial Statement Findings - Section III – Federal Awards and State Financial Assistance Findings and Questioned Cost	130-133
K-7	Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	134

INTRODUCTORY SECTION

HOPEWELL CREST SCHOOL

Meghan Lammersen
Superintendent/Principal

Lisa DiNovi
Business Administrator

Kelli Manski
Supervisor of CTS/Special Services

Brian Belsky
Vice Principal/
Curriculum Coordinator

November 25, 2025

Honorable President and
Members of the Board of Education
Hopewell Township School District
Cumberland County, New Jersey

Dear Board Members:

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

The annual comprehensive financial report is presented in four sections as follows:

- The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials.
- The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon.
- The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.
- The Single Audit Section - The District is required to undergo an annual single audit in conformity with the provisions of Title 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" and the State Treasury Circular Letter 15-08 OMB," Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The Hopewell Township School District is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board (GASB) as established by Statement No. 14. All funds of the District are included in this report. The Hopewell Township Board of Education and its two schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels PreK 3 through 8. These include regular, as well as special education for handicapped youngsters. The District completed the fiscal year with an enrollment of 522 students, which is an increase from the previous year enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

Fiscal Year	Student Enrollment	Percent Change
2024-25	522.0	1.75%
2023-24	513.0	1.18%
2022-23	507.0	3.38%
2021-22	490.4	.44%
2020-21	488.3	(2.43)%
2019-20	500.5	(.26)%
2018-19	501.8	4.91%
2017-18	478.3	(1.22)%
2016-17	484.2	(2.00)%
2015-16	494.1	.84%

2. ECONOMIC CONDITION AND OUTLOOK:

Hopewell Township, Cumberland County, has the potential for controlled economic development and expansion. Improvements to New Jersey Route 49 and the expansion of the public sewer system should invite small business investments. The school system continues to attract families who seek excellent educational experiences for their children.

3. INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining internal control 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). Internal control is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal awards and state financial assistance, the District also is responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. Internal control 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 internal control, including that portion related to federal awards and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

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 voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either 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. These funds are explained in "Notes to the Financial Statements," Note 1.

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.

7. DEBT ADMINISTRATION:

At June 30, 2025, the District's outstanding debt issues included $0 of general obligation bonds for additions and renovations to the Crest School and the general obligation bonds for land acquisition were paid off during the year. The amount available for future debt that may be voted on is $12,639,342.

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 and comprehensive/collision, hazard and theft insurance on property and 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 accounting firm of Nightlinger, Colavita and Volpa, Pa. was appointed by the Board. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the Title 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and State of New Jersey Treasury Circular 15-08 OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's report 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 Hopewell Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the public school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff. We received the complete cooperation from Nightlinger, Colavita & Volpa, and P.A. and appreciate the courtesies extended to us.

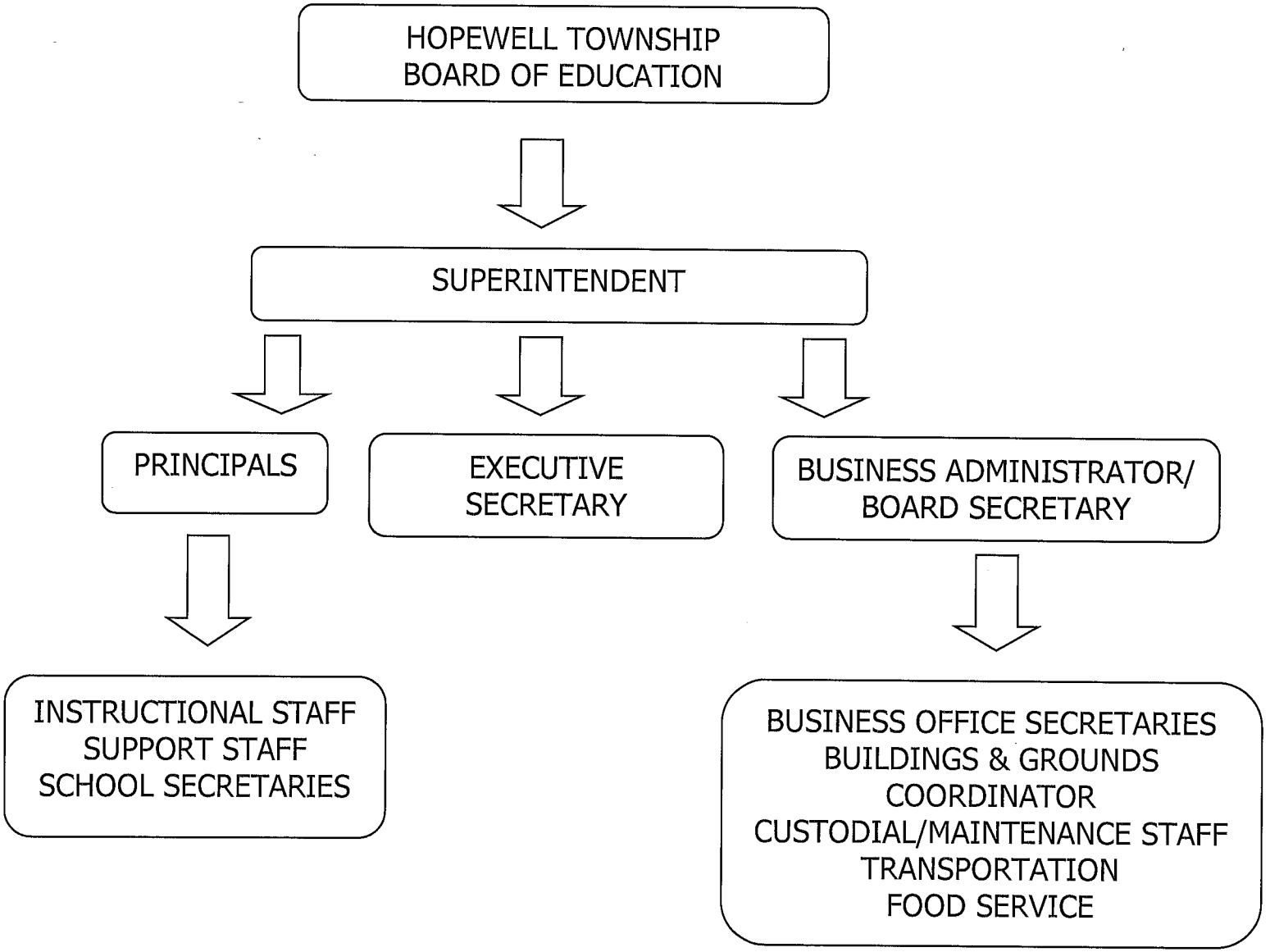
Respectfully submitted,

Meghan Lammerson, Superintendent/Principal

Lisa M. DiNovi

Lisa M. DiNovi, School Business Administrator/Board Secretary

HOPEWELL TOWNSHIP PUBLIC SCHOOLS ORGANIZATION CHART



HOPEWELL TOWNSHIP BOARD OF EDUCATION
BRIDGETON, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2025

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Michael DeRose, President	2027
Sharon Campbell, Vice President	2026
Frank DeVita	2027
Kelly Cuff	2026
JR Carman	2025
Dennis Gaggini	2026
Kelly Hoffman	2025
Heather Humphrey	2025

OTHER OFFICIALS	Bond Amount
Meghan Lammersen, Superintendant/Principal	
Lisa M. DiNovi, Business Administrator/Board Secretary	$ 100,000
Stacey Dillahey, Treasurer of Monies	$ 200,000
Weiner Law Group, Solicitor	

TOWNSHIP OF HOPEWELL BOARD OF EDUCATION
CONSULTANTS AND ADVISORS

ARCHITECT

Merighi Portadin Farrell Architects, LLC
1138 East Chestnut Avenue
Vineland, New Jersey 08360

AUDIT FIRM

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Nightlinger, Colavita and Volpa, PA
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ATTORNEY

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OFFICIAL DEPOSITORY

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18 S. West Boulevard
Newfield, NJ 08344

Ocean First
975 Hooper Avenue
Toms River, NJ 08753

FINANCIAL SECTION

NIGHTLINGER, COLAVITA & VOLPA

A Professional Association

Certified Public Accountants

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P.O. Box 799
Williamstown, NJ 08094

(856) 629-3111
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www.colavita.net

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Hopewell Township School District
County of Cumberland, New Jersey 08032

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Board of Education of the Hopewell Township School District in the County of Cumberland, State of New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board of Education of the Hopewell Township School District in the County of Cumberland, State of New Jersey'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 Board of Education of the Hopewell Township School District in the County of Cumberland, State of New Jersey, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2025, on our consideration of the Hopewell Township School District 's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Hopewell Township School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governments Auditing Standards* in considering Hopewell Township School District's internal control over financial reporting and compliance.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, P.A.



Raymond Colavita, C.P.A., R.M.A.
Licensed Public School Accountant
No. 915
November 25, 2025

REQUIRED SUPPLEMENTARY INFORMATION – PART I

HOPEWELL TOWNSHIP SCHOOL DISTRICT
HOPEWELL TOWNSHIP

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

UNAUDITED

The discussion and analysis of Hopewell Township Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2025. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2025 are as follows:

- General revenues accounted for $8,908,210 in revenue or 75.5% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for $2,884,308 or 24.5% of total revenues of $11,792,518.

- Total Net Position of governmental activities was $10,526,790.

- The School District had $11,295,976 in program expenses. These expenses were offset by program specific charges for services, grants or contributions of $2,884,308 mentioned above in arriving at the net governmental activity expenses of the district. General revenues comprising federal and state aid of $5,018,582, property taxes of $4,046,494, Tuition of $25,795 and other miscellaneous revenues and adjustments of $182,661 were adequate to provide for the programs maintained by the school.

- The General Fund had $11,300,365 in revenues, $10,557,124 in expenditures, a Transfer to the Preschool Program for inclusion of $89,166 and a transfer of $76,172 to Charter School. The General Fund's balance increased $577,903 over 2025. This increase was anticipated by the Board of Education.

Using this Annual Comprehensive Financial Report (ACFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Hopewell Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Hopewell Township School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School district as a whole looks at all financial transactions and asks the question, "How did we do financially during 2025?" The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's Net Position and how they have changed. This change in Net Position is important because it tells the reader that, for the School District as a whole, the financial positions of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- Governmental Activities – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. There are two school buildings maintained by the District, which are the Port Norris Middle School and the Haleyville Elementary School.

- Business – Type Activities – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major (all) funds begins on page 24. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

Governmental Funds (Continued)

The governmental fund statements provide a detailed short-term view of the School District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. The Food Service fund is the only enterprise fund maintained by the district.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole, which includes the Business-type Activities. Table 1 provides a comparative summary of the School District's Net Position for the years ended in 2024 and 2025.

Table 1
Net Position

	2024	2025
Assets		
Current and Other Assets	$ 3,526,924	$ 3,687,372
Capital Assets, Net	8,486,780	8,098,685
Total Assets	12,013,704	11,786,057
Deferred Outflows of Resources		
Deferred Pension Outflows	283,130	275,875
Liabilities		
Long-term Liabilities	1,291,240	1,017,469
Other Liabilities	489,773	94,671
Total Liabilities	1,781,013	1,112,140
Deferred Inflows of Resources		
Deferred Pension Inflows	194,163	131,592
Net Position		
Invested in Capital Assets, Net of Debt	9,681,107	9,688,020
Restricted	1,441,959	1,662,256
Unrestricted (Deficit)	(801,408)	(532,076)
Total Net Position	$ 10,321,658	$ 10,818,200

Table 2 shows the changes in Net Position from fiscal year's 2025 and 2024.

Table 2
Changes in Net Position

	2024	2025
Revenues		
Programs Revenues		
Charges for Services	$ 114,522	$ 288,149
Operating Grants and Contributions	2,953,204	2,596,159
General Revenues		
Property Taxes	3,980,902	4,046,494
Grants and Entitlements	3,989,532	5,018,582
Other	163,347	(80,694)
Total Revenues	$ 11,201,507	$ 11,868,690
Program Expenses		
Instruction		
Regular	$ 3,474,321	$ 3,209,166
Special	529,616	691,670
Other	53,273	381,982
Support Services		
Tuition	54,164	95,538
Pupils and Instructional Staff	1,348,230	1,408,814
General Administration, School Administration, Business Admin	578,096	599,238
Operations and Maintenance of Facilities	665,879	830,178
Pupil Transportation	669,340	795,225
Employee Benefits	2,603,776	2,399,903
Food Service	342,662	373,645
Child Care	19,729	67,979
Interest on long-term debt	29,616	18,610
Unallocated Depreciation	424,975	424,028
Total Expenses	$ 10,793,677	$ 11,295,976
Transfer to Charter School	54,774	76,172
Revenue Less Transfer to Charter School	11,146,733	11,792,518
Increase/(Decrease) in Net Position	$ 353,056	$ 496,542

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Of the District's $11,792,518 in total net governmental revenues for the fiscal year ended June 30, 2025, property taxes made up 34.3% of the revenues raised for governmental activities. Federal, state and local grants accounted for another 64.6% and other revenues made up 1.1%. The total cost of all program and services was $11,295,976, of which the amount spent on governmental activities was $10,854,352 and of this amount, Instruction comprised 37.9%.

Governmental Activities (Continued)

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

Table 3

	Total Cost of Services 2024	Net Cost of Services 2024	Total Cost of Services 2025	Net Cost of Services 2025
Instruction	$ 4,057,210	$ 2,981,776	$ 4,282,818	$ 3,313,078
Support Services				
Tuition	54,164	54,164	95,538	95,538
Pupils and Instructional Staff	1,348,230	807,273	1,408,814	1,063,000
General Administration, School Administration, Business Admin	578,096	578,096	599,238	599,238
Operation and Maintenance of Facilities	665,879	665,879	830,178	830,178
Pupil Transportation	669,340	669,340	795,225	795,225
Employee Benefits	2,603,776	1,468,970	2,399,903	1,255,548
Charter school				
Food Services	342,662	55,967	373,645	42,565
Child care	19,729	(10,105)	67,979	(25,340)
Interest on long-term debt	29,616	29,616	18,610	18,610
Unallocated Depreciation	424,975	424,975	424,028	424,028
Total Expenses	$ 10,793,677	$ 7,725,951	$ 11,295,976	$ 8,411,668

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

Extracurricular activities includes expenses related to student activities provided by the School district which are designated to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District. Other includes unallocated depreciation and amortization.

Business-Type Activities

Revenues for the District's business-type activities (food service program and extended day program) were comprised of charges for services and federal and state reimbursements.

- Food service expenses exceeded revenues by $42,565 and Extended Day revenues exceeded expenses by $25,340.
- The General Fund did not subsidize the food service operation in 2024-2025.
- Charges for food service were $76,251. This represents amount paid by patrons for daily food services. Extended Day revenues were $93,319.
- Federal and state reimbursements for meals, including payments for free and reduced lunches and donated commodities were $254,829.

The School District's Funds

Information about the School District's major funds starts on page 24. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of $13,358,561 and expenditures of $12,723,893, as well as a transfer to Charter School of $76,172. The net positive change in fund balance for the year was $558,496, there were no prior period adjustment relating to GASB #84. The School District was able to meet current operating costs during the current fiscal year.

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 schedules present a summary of the revenues of the governmental funds (including capital projects fund expenditures) for the fiscal year ended June 30, 2025, and the amount and percentage of increases and decreases in relation to prior year revenues.

Table 4

Revenue	Amount	Percent of Total	Increase/ (Decrease) from 2024	Percent Increase (Decrease)
Local Sources	$ 4,326,717	32.4%	$ 34,484	0.8%
State Sources	8,697,934	65.1%	1,535,066	25.3%
Federal Sources	333,910	2.5%	(587,239)	-104.2%
Total	$ 13,358,561	100.0%	$ 982,311	8.9%

The School District's Funds (Continued)

The increase in Local Sources is attributed to increases in local tax levy of $65,592, tuition of $4,920, and interest of $904, offset by decreases in miscellaneous revenue of $36,932.

The increase in State Sources is attributed to increases in general fund state aid of $1,162,137, increases in state and federal grants for special projects of $381.401, offset by a decrease in debt service aid of $8,472.

The decrease in Federal Sources is attributed to net decreases in various grant awards totaling $587,239.

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.

Table 5

Expenditures	Amount	Percent of Total	Increase/ (Decrease) from 2024	Percent Increase (Decrease)
Current:				
Instruction	$ 4,282,818	33.7%	$ 225,608	6.2%
Undistributed Expenditures	7,770,336	61.1%	410,788	6.3%
Capital Outlay	424,557	3.3%	363,506	163.5%
Debt Service:				
Principal	241,000	1.9%	(9,000)	-3.2%
Interest	5,182	0.0%	(10,494)	-19.2%
Total	$ 12,723,893	100.0%	$ 980,408	9.1%

The increase in Current – Instruction is attributed to increases in Special Education of $162,054, Other Special Education of $306,971, and Other Instruction of $21,738 offset by decreases in regular instruction of $265,155.

The increase in Current – Undistributed Expenditures is attributed to increases in various line items totaling $410,788.

The increase in capital outlay is attributed to decreases in capital projects and construction service costs of $363,506.

The decrease in debt service is attributed to decreased outstanding debt obligations of $9,000 and a decrease of $10,494 in interest.

General Fund Budgeting Highlights

The School District's Budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2025, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

Some of the normal budgetary situations requiring attention during the year are:

- Staffing changes based on student needs.
- Additional costs for student transportation both in regular education and special education.
- Accounting changes in maintenance and operations
- Changes in appropriations to prevent budget overruns.

While the District's final budget for the general fund anticipated that revenues, including surplus appropriated, would roughly equal expenditures, the actual results for the year show an actual increase in fund balance of $701,047.

- Actual revenues were $138,674 more than expected, excluding On-Behalf pension and social security state aid of $2,142,508, due primarily to miscellaneous revenue.

- The actual expenditures were $909,867 less than expected, which excluded the effects of state On-Behalf pension and social security aid of $2,142,508, partially offset by favorable variances in various budget appropriations.

Capital Assets

At the end of the fiscal year 2025, the School District had $8,098,685 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2024 balances compared to 2025.

Table 6
Capital Assets (Net of Depreciation) at June 30

	2024	2025
Land	$ 257,900	$ 257,900
Construction in Progress		
Land Improvements	990,190	1,217,933
Building and Improvements	6,921,319	6,457,810
Equipment	302,866	155,192
Right-to-Use Lease Assets	14,505	9,850
Totals	$ 8,486,780	$ 8,098,685

Overall capital assets decreased $388,095 from fiscal year 2024 to fiscal year 2025. Increases in capital assets of $407,375 were offset by depreciation expense of $432,461 and adjustments/retirements of $363,009.

Debt Administration

At June 30, 2025, the School District had $1,017,469 as outstanding debt. Of this amount, $144,046 is for compensated absences. The District also reported a Net Pension Liability of $858,330 in accordance with GASB #68 and Right-to-Use Liability of $15,093.

At June 30, 2025, the School District's overall legal debt margin was $12,639,342, of which all was unvoted debt margin at June,30,2025.

For the Future

The District has committed itself to financial excellence. The School District plans to continue its sound fiscal management to meet the challenges of the future. The safety and security of our students, staff, parents and community is a priority for the district.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, 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 receives. If you have questions about this report or need additional information, contact Lisa Dinovi, School Business Administrator/Board Secretary at Hopewell Township Board of Education, 122 Sewall Road, Bridgeton, NJ, 08032.

BASIC FINANCIAL STATEMENTS

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.

EXHIBIT A-1

HOPEWELL TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 723,798	$ 252,723	$ 976,521
Receivables, Net	459,888	11,617	471,505
Inventory		7,441	7,441
Restricted Cash and Cash Equivalents	2,231,905		2,231,905
Capital Assets, Net (Note 5):	8,050,289	48,396	8,098,685
Total Assets	11,465,880	320,177	11,786,057
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Pension Outflows	275,875		275,875
LIABILITIES			
Accounts Payable	59,584	22,434	82,018
Accrued Interest			
Unearned Revenue	6,320	6,333	12,653
Non-current Liabilities (Note 6):			
Due Within One Year	31,423		31,423
Due Beyond One Year	986,046		986,046
Total Liabilities	1,083,373	28,767	1,112,140
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension Inflows	131,592		131,592
NET POSITION			
Invested in Capital Assets, Net of Related Debt	9,639,624	48,396	9,688,020
Restricted for:			
Unemployment Compensation	255,172		255,172
Scholarships	854		854
Student Activities	52,047		52,047
Other Purposes	1,354,183		1,354,183
Unrestricted (Deficit)	(775,090)	243,014	(532,076)
Total Net Position	$ 10,526,790	$ 291,410	$ 10,818,200

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

EXHIBIT A-2

HOPEWELL TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities:						
Instruction:						
Regular	$ 3,209,166	$ 118,579	$ 851,161	$ (2,239,426)	$	$ (2,239,426)
Special Education	691,670			(691,670)		(691,670)
Other Special Instruction	341,844			(341,844)		(341,844)
Other Instruction	40,138			(40,138)		(40,138)
Support Services:						
Tuition	95,538			(95,538)		(95,538)
Student & Instruction Related Services	1,408,814		345,814	(1,063,000)		(1,063,000)
General and Business Administrative Services	182,237			(182,237)		(182,237)
School Administrative Services	202,145			(202,145)		(202,145)
Central Services	188,485			(188,485)		(188,485)
Admin Info Tech	26,371			(26,371)		(26,371)
Plant Operations and Maintenance	830,178			(830,178)		(830,178)
Pupil Transportation	795,225			(795,225)		(795,225)
Employee Benefits	2,399,903		1,144,355	(1,255,548)		(1,255,548)
Interest on Long-term Debt	18,610			(18,610)		(18,610)
Unallocated Depreciation	424,028			(424,028)		(424,028)
Total Governmental Activities	10,854,352	118,579	2,341,330	(8,394,443)		(8,394,443)
Business-type Activities:						
Food Service	373,645	76,251	254,829		(42,565)	(42,565)
Extended Day	67,979	93,319			25,340	25,340
Total Business-type Activities	441,624	169,570	254,829		(17,225)	(17,225)
Total Primary Government	$11,295,976	$ 288,149	$ 2,596,159	$ (8,394,443)	$ (17,225)	$ (8,411,668)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				$ 3,907,304	$	$ 3,907,304
Taxes Levied for Debt Service				139,190		139,190
Federal, State and Local Aid not Restricted				5,018,582		5,018,582
Tuition from Other LEA'S Within the State and Individuals				25,795		25,795
Investment Earnings				64,473	2,092	66,565
Miscellaneous Income				189,955		189,955
Fixed Asset Adjustment				(363,009)		(363,009)
Transfer to Charter Schools				(76,172)		(76,172)
Total General Revenues, Special Items, Extraordinary Items and Transfers				8,906,118	2,092	8,908,210
Change in Net Position				511,675	(15,133)	496,542
Net Position—Beginning				10,015,115	306,543	10,321,658
Net Position—Ending				$ 10,526,790	$ 291,410	$ 10,818,200

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

GOVERNMENTAL FUNDS

EXHIBIT B-1

HOPEWELL TOWNSHIP BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	$ 591,138	$ 52,901		$ 644,039
Restricted Cash and Cash Equivalents	2,231,905			2,231,905
State Aid Receivable	68,971			68,971
Federal Aid Receivable		93,258		93,258
Local District School Tax Receivable	289,813			289,813
Interfund Receivable	241,150			241,150
Other Accounts Receivable	7,846			7,846
Total Assets	$ 3,430,823	$ 146,159		$ 3,576,982
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 1,525	$ 44,670		$ 46,195
Payroll Tax Payable	13,389			13,389
Interfund Payable		167,600		167,600
Unearned Revenue	500	5,820		6,320
Total Liabilities	15,414	218,090		233,504
Fund Balances:				
Restricted For:				
Excess Surplus	310,753			310,753
Excess Surplus - Designated for Subsequent Year's Expenditures	415,953			415,953
Unemployment Compensation	255,172			255,172
Scholarships		854		854
Student Activity		52,047		52,047
Capital Reserve	1,604,428			1,604,428
Maintenance Reserve	477,477			477,477
Assigned:				
Year-end Encumbrances	381,983			381,983
Capital Reserve Designated for Subsequent Expend	150,000			150,000
Designated for Subsequent Year's Expenditiure	27,906			27,906
Unassigned, Reported in:				
General Fund (Deficit)	(208,263)			(208,263)
Special Revenue Fund (Deficit)		(124,832)		(124,832)
Total Fund Balances	3,415,409	(71,931)		3,343,478
Total Liabilities and Fund Balances	$ 3,430,823	$ 146,159		

Amounts reported for *governmental activities* in the Statement of Net Position (A-1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $17,439,486 and the accumulated depreciation is $9,389,197 (See Note 5)	8,050,289
Long Term Net Pension Liability	(858,330)
Deferred Pension Outflows	275,875
Deferred Pension Inflows	(131,592)
Internal Service Fund	6,209
Long-term liabilities, representing accrued interest, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	
Long-term liabilities, including bonds payable , are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6).	(159,139)
Net Position of Governmental Activities	$ 10,526,790

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

EXHIBIT B-2

HOPEWELL TOWNSHIP BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	General Fund	Special Revenue Fund	Debt Service Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	$ 3,907,304	$	$ 139,190	$ 4,046,494
Tuition from Individuals	25,795			25,795
Interest Earned on Investments	64,473			64,473
Miscellaneous Local Sources	123,867	66,088		189,955
Total - Local Sources	4,121,439	66,088	139,190	4,326,717
State Sources	7,168,566	1,422,376	106,992	8,697,934
Federal Sources	10,360	323,550		333,910
Total Revenues	11,300,365	1,812,014	246,182	13,358,561
EXPENDITURES				
Current:				
Regular Instruction	2,358,005	851,161		3,209,166
Special Education Instruction	691,670			691,670
Other Special Instruction	341,844			341,844
Other Instruction	40,138			40,138
Support Services:				
Tuition	95,538			95,538
Student & Instruction Related Services	1,063,000	345,814		1,408,814
General Administrative Services	182,237			182,237
School Administrative Services	202,145			202,145
Central Services	188,485			188,485
Admin Info Tech	26,371			26,371
Plant Operations and Maintenance	830,178			830,178
Pupil Transportation	795,225			795,225
Employee Benefits	3,617,515	423,828		4,041,343
Debt Service:				
Interest and Other Charges			5,182	5,182
Principal			241,000	241,000
Capital Outlay	124,773	299,784		424,557
Total Expenditures	10,557,124	1,920,587	246,182	12,723,893
Excess (Deficiency) of Revenues over Expenditures	743,241	(108,573)		634,668
OTHER FINANCING SOURCES (USES)				
Transfer to Preschool Program	(89,166)	89,166		
Transfer to Charter School	(76,172)			(76,172)
Total Other Financing Sources and Uses	(165,338)	89,166		(76,172)
Net Change in Fund Balances	577,903	(19,407)		558,496
Fund Balance - July 1	2,837,506	(52,524)		2,784,982
Fund Balance - June 30 (Deficit)	$ 3,415,409	$ (71,931)	$	$ 3,343,478

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

EXHIBIT B-3

HOPEWELL TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Total Net Change in Fund Balances - Governmental Funds (from B-2)		$ 558,496
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation expense	$ (424,028)	
Fixed Asset Adjustment	(363,009)	
Capital outlays	407,375	
		(379,662)
Repayment of bond principal 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.		241,000
In the statement of activities, interest on long-term debt is accrued regardless of when it is due. In the governmental funds, interest is reported when due.		3,754
Pension Contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.		62,465
Repayment of right-to-use lease principal 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.		
In the statement of activities, certain operating expenses, e.g. compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid).		25,622
Change in Net Position of Governmental Activities (A-2)		$ 511,675

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

PROPRIETARY FUNDS

EXHIBIT B-4

HOPEWELL TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

	Business-type Activities - Enterprise Funds			Curriculum Coordinator Internal Services Fund
	Food Service	Extended Day	Totals	
ASSETS				
Current Assets:				
Cash	$ 242,486	$ 83,787	$ 326,273	$ 6,209
Accounts Receivable	7,693	3,924	11,617	
Interfund Receivable	1,151		1,151	
Inventories	7,441		7,441	
Total Current Assets	258,771	87,711	346,482	6,209
Fixed Assets:				
Equipment	208,084		208,084	
Accumulated Depreciation	(159,688)		(159,688)	
Total Fixed Assets	48,396		48,396	
Total Assets	307,167	87,711	394,878	6,209
LIABILITIES:				
Current Liabilities:				
Accounts Payable	22,434		22,434	
Interfund Payable	73,550	1,151	74,701	
Unearned Revenue	5,605	728	6,333	
Total Current Liabilities	101,589	1,879	103,468	
NET POSITION				
Invested in Capital Assets Net of Related Debt	48,396		48,396	
Unrestricted	157,182	85,832	243,014	6,209
Total Net Position	$ 205,578	$ 85,832	$ 291,410	$ 6,209

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

EXHIBIT B-5

HOPEWELL TOWNSHIP BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Business-type Activities - Enterprise Fund			Curriculum Coordinator Internal Services Fund
	Food Service	Extended Day	Total Enterprise	
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	$ 50,313	$	$ 50,313	$
Daily Sales - Non-reimbursable Programs	26,878		26,878	
Fees for Services		93,319	93,319	118,579
Total Operating Revenue:	77,191	93,319	170,510	118,579
Operating Expenses:				
Salaries	107,518	67,979	175,497	118,579
Employee Benefits	26,525		26,525	
Supplies and Materials	15,659		15,659	
Depreciation	8,433		8,433	
Cost of Sales - Reimbursable Programs	130,144		130,144	
Cost of Sales - Nonreimbursable Programs	10,842		10,842	
Insurance	2,869		2,869	
Management Fee	40,000		40,000	
Miscellaneous	31,655		31,655	
Total Operating Expenses	373,645	67,979	441,624	118,579
Operating Income (Loss)	(296,454)	25,340	(271,114)	
Non-operating Revenues (Expenses):				
State Sources:				
State School Breakfast Program	7,995		7,995	
State School Lunch Program	14,956		14,956	
Summer-EBT Administrative Cost	301		301	
Federal Sources:				
National School Breakfast Program	61,991		61,991	
National School Lunch Program	148,100		148,100	
Summer-EBT Administrative Cost	301		301	
Food Distribution Program	20,245		20,245	
Interest	940	1,152	2,092	
Total Non-operating Revenues (Expenses)	254,829	1,152	255,981	
Income (Loss) before Contributions & Transfers	(41,625)	26,492	(15,133)	
Change in Net Position	(41,625)	26,492	(15,133)	
Total Net Position—Beginning	247,203	59,340	306,543	6,209
Total Net Position—Ending	$ 205,578	$ 85,832	$ 291,410	$ 6,209

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

EXHIBIT B-6

HOPEWELL TOWNSHIP BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Business-type Activities Enterprise Funds			Curriculum Coordinator Internal Services Fund
	Food Service	Extended Day	Total Enterprise	
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers	$ 77,191	$ 85,466	$ 162,657	$ 118,579
Payments to Employees	(107,518)	(67,979)	(175,497)	(118,579)
Payments for Employee Benefits	(26,525)		(26,525)	
Payments to Suppliers	(153,991)		(153,991)	
Net Cash Provided by (used for) Operating Activities	(210,843)	17,487	(193,356)	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
State Sources	23,252		23,252	
Federal Sources	230,637		230,637	
Operating Subsidies and Transfers to Other Funds				
Net Cash Provided by (used for) Non-capital Financing Activities	253,889		253,889	
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of Capital Assets				
Net Cash Provided by (used for) Capital and Related Financing Activities				
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and Dividends	940	1,152	2,092	
Net Cash Provided by (used for) Investing Activities	940	1,152	2,092	
Net Increase (Decrease) in Cash and Cash Equivalents	43,986	18,639	62,625	
Balances—Beginning of Year	198,500	65,148	263,648	6,209
Balances—End of Year	$ 242,486	$ 83,787	$ 326,273	$ 6,209
Reconciliation of Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:				
Operating Income (Loss)	$ (296,454)	$ 25,340	$ (271,114)	$
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities				
Depreciation and Net Amortization	8,433		8,433	
(Increase)/Decrease in Accounts Receivable	1,432	3,773	5,205	
(Increase)/Decrease in Interfund Receivable				
(Increase)/Decrease in Inventory	(3,984)		(3,984)	
Increase/(Decrease) in Accounts Payable	22,434		22,434	
Increase/(Decrease) in Interfund Payable	52,186		52,186	
Increase/(Decrease) in Unearned Revenue	5,110	(11,626)	(6,516)	
Total Adjustments	85,611	(7,853)	77,758	
Net Cash Provided by (used for) Operating Activities	$ (210,843)	$ 17,487	$ (193,356)	$

Noncash Investing, Capital, and Financing Activities:
During the year, the District received $22,466 of food commodities from the U.S. Department of Agriculture.

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

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

Hopewell Township School District (District) is organized under the Constitution of the State of New Jersey. The District provides educational services as authorized by state and federal guidelines, currently operating in one instructional building.

A. Reporting Entity:

The District is a Type II District located in the County of Cumberland, State of New Jersey. As a Type II District, as provided by statute of the State of New Jersey, the school district functions independently through a Board of Education. The Board is comprised of nine members elected to three-year-terms, which are staggered. The purpose of the District is to educate students in Grades K-8, serving the Township of Hopewell and Borough of Shiloh. The District had an approximate enrollment at June 30, 2025 of 522 students.

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

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

Based on the aforementioned criteria, the District has no component units.

The basic financial statements include: A Management's Discussion and Analysis (MD&A) providing an analysis of the Districts over-all financial position and results of operations. Basic financial statements prepared using full-accrual accounting for all of the District's activities.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Accounting Standards:

The School District has adopted the following GASB statements:

- GASB Statement No. 101 - Compensated Absences: The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The adoption of GASB 101 did not impact the financial statements of the School District.

- GASB Statement No. 102 - Certain Risk Disclosures: This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The adoption of GASB 102 did not impact the financial statements of the School District.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

New Accounting Standards: (Continued)

Accounting standards that the School District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB Statement No. 103 - Financial Reporting Model Improvements: This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Management is evaluating the potential impact of the adoption of GASB 103 on the School District's financial statements.

- GASB Statement No. 104 - Disclosure of Certain Capital Assets: The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Management is evaluating the potential impact of the adoption of GASB 104 on the School District's financial statements.

A. Basis of Presentation:

The District's financial reporting consist of a Management's Discussion and Analysis (MD&A) providing an analysis of the District's over-all financial position and results of operations, as well as Basic financial statements prepared using full-accrual accounting for all of the District's activities.

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 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. 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. For the most part, the effect of interfund activity has been removed from these statements.

The statement of net position presents the financial condition of the governmental and business-type activities of the District at the fiscal year end while the statement of activities presents a comparison between direct expenses and program revenues for each different business-type activity of the District and for each function of the District's governmental activities.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

A. Basis of Presentation: (Continued)

The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

- Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expenses-expenses of the District related to the administration and support of the District's programs, such as personnel and accounting-are not allocated to programs.

- Program revenues include (a) 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 requirements of a particular program. Revenues that are not classified as program revenues, including all taxes and state formula aid, are presented as general revenues.

Fund Financial Statements: During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – *governmental, proprietary,* and *fiduciary* – are presented. 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 believes that the presentation of all funds as major is important for public interest and to promote consistency among District financial reporting. The accounts of the District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available.

B. Fund Accounting:

The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

GOVERNMENTAL FUND TYPE

The focus of governmental fund measurement is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income. The District reports the following major governmental funds:

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

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

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting: (Continued)

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 Current Expense by board resolution.

As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for unemployment claims and payroll withholdings for employee salary deductions are included in the general fund. Amounts maintained for unemployment claims are used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the Benefit Reimbursement Method.

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

As a result of implementing GASB Statement No. 84, Fiduciary Activities, amounts maintained for student activities and private purpose scholarships are included in the special revenue fund. The amounts are considered to be restricted and available to use for specific expenditures. Amounts maintained for student activities are derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities.

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The 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 bonds issued to finance major property acquisition, construction and improvement programs.

PROPRIETARY FUND TYPE

The focus of Proprietary Fund measurement is on determination of net income, financial position and cash flows. The applicable generally accepted accounting principles are similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise (Food Service) Funds

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

The District's Enterprise Funds are comprised of the Food Service Fund and the school-aged childcare (SACC) fund.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

B. Fund Accounting: (Continued)

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

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

Food Service Fund Equipment	12 – 20 Years

Internal Service Fund - The Hopewell Township School District also maintains an Internal Service Fund for a Curriculum Coordinator, whereby services would be provided on a cost-reimbursement basis.

FIDUCIARY FUND TYPE

Fiduciary Funds include Expendable Trust, Nonexpendable Trust and Agency Funds. The measurement focus of the Expendable Trust Funds is the same as for governmental funds. The measurement focus of the Nonexpendable Trust Funds is similar to Proprietary Funds. The District does not have funds that meet the criteria of a fiduciary fund as defined by GASB Statement No. 84, Fiduciary Activities.

C. Basis of Accounting and Measurement Focus:

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

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board(FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989. The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

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

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

C. Basis of Accounting and Measurement Focus: (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and postemployment healthcare benefits, are recorded only when payment is due.

In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989. The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and nonexpendable trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

D. Budgets/Budgetary Control:

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

Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line-item accounts within each fund.

Line-item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2 (f) 1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3. The Board of Education did not make any material supplemental budgetary appropriations during the fiscal year.

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

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

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

D. Budgets/Budgetary Control: (Continued)

A reconciliation of the special revenue funds from the budgetary basis of accounting (as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Funds) to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types is shown on Exhibit C-2.

E. Encumbrance Accounting:

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds, other than the special revenue fund, are reported as reservations of fund balances at fiscal yearend 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.

F. Tuition Receivable:

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

G. Tuition Payable:

Tuition charges for the fiscal years 2024-2025, 2023-2024 and 2022-2023 were based on rates established by the receiving District. These rates are subject to change when the actual costs have been determined.

H. Basis of Accounting and Measurement Focus:

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

On District-wide financial statements and in the Enterprise Fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2025.

I. Short -Term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

J. Lease Acquisition Costs:

As part of any long-term lease agreement, providing for the use of school buildings, payments constituting professional lease acquisition and other related professional fees will expensed when incurred in accordance with GASB Statement No. 65. There were no such leases for the year ended June 30, 2025.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

K. Assets, Liabilities and Equity:

Transactions

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

Inventories

On District-wide financial statements and in the enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method and is expended when used. This includes $3,250 in federal commodities on hand at June 30, 2025. Prepaid expenses in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2025.

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

Food	$	6,232
Supplies		1,209
Total	$	7,441

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1986, as revised) 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.

Capital Assets – The District is establishing a formal system of accounting for its capital assets. Capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. Capital assets acquired or constructed prior to June 30, 2003 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Capital assets are reflected as expenditures in the applicable governmental funds. The cost of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Assets	Years
Buildings	40
Building improvements & portable classroom	20 – 50
Land improvements	20
Furniture	15
Maintenance equipment	15
Musical instruments	10
Athletic equipment	10
Audio visual equipment	10
Office equipment	5
Computer equipment	5

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

L. Compensated Absences:

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

Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the General Long-Term Debt.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

M. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned.

Unearned revenue in the enterprise fund includes United States government commodity inventories at year-end. The aid revenue associated with this commodity inventory is deferred until it is used in the operations of the food service fund. Prepaid lunch debit card revenue balances at year-end are also included in unearned revenue.

N. Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

O. 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 not 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 that 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. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

P. Extraordinary and Special Items:

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

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Q. Fund Equity:

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Reserves represent those portions of fund equity not available for appropriation for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

R. Comparative Data/Reclassifications:

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain immaterial amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

S. Management Estimates:

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

T. Accrued Liabilities and Long-term Obligations:

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund.

U. Net position

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

- Net investment in capital assets - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

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

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

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

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

V. Fund balances - Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Non-spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

- 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.

  Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the general fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

When an expenditure is incurred for purposes which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When 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.

W. 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 School District receives value without directly giving equal value in return, include property taxes, income 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. Revenue from income 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 for the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. 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 yearend: property taxes available as an advance, interest, and tuition.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

X. Deferred outflows/inflows of resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has three items that qualify for reporting in this category, deferred amount on pension activity, bond premium, and loss on refunding long-term debt. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify for reporting in this category, deferred amount on pension activity and gain on refunding long-term debt.

Y. Tax assessments and property taxes:

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

School taxes are guaranteed, as to amount of collection, by the municipality (the collection agency) and are transmitted to the school district in accordance with the Schedule of Tax Installments as certified by the school district's Board of Education on an annual basis.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value. New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey School District's.

Investments are stated at cost, or amortized cost, which approximates market. The amortized cost method involves valuing a security at its cost on the date of purchase and thereafter assuming a constant amortization to maturity for any discount or premium. The Board classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 3 requires the disclosure of the level of custodial credit risk assumed by the Board in its cash, cash equivalents and investments.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

Deposits:

New Jersey statutes require that School Districts deposit public funds in public depositories located in New Jersey, which are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School Districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

> The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank of New York, the Federal Reserve Bank of Philadelphia, the Federal Home Loan Bank of New York, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than $25,000,000.

Investments:

New Jersey statutes (N.J.S.A.18A:20-37) permits the Board to purchase the following types of securities:

a. Bonds or other obligations of the Unites States or obligations guaranteed by the United States.
b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank for Cooperatives, which have a maturity date no greater than twelve months from the date of purchase.
c. Bonds of other obligations of the School District.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

As of June 30, 2025, cash and cash equivalents in the fund financial statements of the District consisted of the following:

	Cash and Cash Equivalents
Checking Accounts	$ 3,208,426
Certificates of Deposit	
Total	$ 3,208,426

Unrestricted cash			
Governmental funds, Balance Sheet	B-1	$	644,039
Enterprise funds, Statement of Net Position	B-4		326,273
Internal service funds, Statement of Net Position	B-4		6,209
Restricted cash			
Governmental funds, Balance Sheet	B-1		2,231,905
Total cash		$	3,208,426

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies. The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first $250,000 of governmental deposits in each insured depository is protected by FDIC.

Funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. As of June 30, 2025, the District's bank balance of $3,762,516 was insured or collateralized as follows:

Insured	$ 500,000
Uninsured and collateralized with securities held by pledging financial institutions	3,262,516
	$ 3,762,516

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District does not have a formal policy that limits investment maturities as a means of managing its exposure to losses in fair value arising in interest rate fluctuations.

Credit Risk - Credit risk is the risk that an issuer of an investment will not fulfill its obligations. The District does not have a policy that restricts investment choices beyond Title 18A:20-37.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONT'D)

Concentration of Credit Risk - The District does not place a limit on the amount that may be invested in any one issuer.

The investments recorded in the basic financial statements have been recorded at the carrying amount of which the difference between the carrying amount and market value is not material.

New Jersey Cash Management Fund – All investments in the Fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment's existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. As of June 30, 2025, the District had no funds on deposit with the New Jersey Cash Management Fund.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long-Range Facilities Plan (LRFP) and updated annually in the Quality Single Accountability Continuum (QSAC). 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. A District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time 561or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to NJAC 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Districts are also permitted, as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit into the legal reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District did not deposit any additional funds into their Capital Reserve Account by Board Resolution in June 2025.

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

Beginning Balance, July 1, 2024	$ 1,450,420
Interest Earnings	29,008
Deposits	275,000
Returned	
Withdrawals	
Ending Balance, June 30, 2025	$1,754,428

Of this amount, $150,000 has been appropriated as revenue to fund the 2025-2026 operating budget.

The LRFP balance of local support costs of uncompleted capital projects at June 30, 2025. The withdrawals from the capital reserve were for use in a DOE approved facilities project, consistent with the District's Long Range Facilities Plan, in the amount of $13,873,000.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 5. CAPITAL ASSETS

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

	Beginning Balance 7/1/2023	Additions	Adjustments/ Retirements	Ending Balance 6/30/2024
Governmental activities:				
Capital Assets that are not being Depreciated:				
Land	$ 257,900	$	$	$ 257,900
Construction in Progress				
Total capital assets not being depreciated	257,900			257,900
Capital Assets being Depreciated and Amortized				
Land Improvements	1,683,255	300,704		1,983,959
Building and building improvements	14,645,825		(169,681)	14,476,144
Machinery and equipment	813,569	106,671	(245,307)	674,933
Right-to-Use Lease Assets	46,550			46,550
Totals at historical cost	17,189,199	407,375	(414,988)	17,181,586
Less Accumulated Depreciation and Amortization				
Land Improvements	(693,065)	(72,961)		(766,026)
Building and improvements	(7,724,506)	(303,007)	9,179	(8,018,334)
Equipment	(567,532)	(43,405)	42,800	(568,137)
Right-to-Use Lease Assets	(32,045)	(4,655)		(36,700)
Total Accumulated Depreciation and Amortization	(9,017,148)	(424,028)	51,979	(9,389,197)
Total Capital Assets being Depreciated and Amortized, Net of Accumulated Depreciation and Amortization	8,172,051	(16,653)	(363,009)	7,792,389
Government Activities Capital Assets, Net	$ 8,429,951	$ (16,653)	$ (363,009)	$ 8,050,289
	To A-1			**To A-1**
Business-type activities - Equipment	$ 208,084			$ 208,084
Less accumulated depreciation	(151,255)	(8,433)		(159,688)
Business-type Activities Capital Assets, Net	$ 56,829	$ (8,433)	$	$ 48,396

Depreciation expense was charged to governmental functions as follows:

Unallocated	$ 424,028

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 6. LONG-TERM OBLIGATIONS

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

	Beginning Balance 7/1/2024	Additions	Reductions	Ending Balance 6/30/2025	Amounts Due within One Year	Long-term Portion
Governmental Activities:						
Bonds payable:						
Serial Bonds	$ 241,000	$	$ (241,000)	$		$
Land Acquisition						
Totals	241,000		(241,000)			
Other Liabilities:						
Right-to-Use Lease Liability	15,093			15,093	10,068	5,025
Compensated absences payable	169,668		25,622	144,046	21,355	122,691
Net Pension Liability	865,479		7,149	858,330		858,330
Total Long-term Obligations	$ 1,291,240	$	$ (208,229)	$ 1,017,469	$ 31,423	$ 986,046

To A-1

Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The other long-term debts are paid in the current expenditures budget of the District's general fund.

A. Bonds Payable

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

General Obligation Bonds - General obligation school building bonds payable at June 30, 2025, with their outstanding balances are comprised of the following individual issues: $2,821,000 - 2009 refunding school bonds, interest at 3.00% to 4.30%, due in annual installments beginning September 1, 2010 to September 1, 2024 was $ 241,000. The purpose of financing various alterations and improvements to the Hopewell Crest School and was paid off during the year under audit.

B. Bonds Authorized But Not Issued - As of June 30, 2025

None

C. Capital Leases

The District had no capital leases as of June 30, 2025.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 7. OPERATING LEASES

The School is a lessee for various copiers. The District recognizes a lease liability – finance purchase and a capital asset or recognizes a lease liability – right to use and an intangible right-to use lease asset in the district-wide financial statements based on the criteria dictated in GASB Statement No. 87 – Leases.

At the commencement of a lease, the School determines based on the criteria dictated in GASB Statement No. 87 – Leases, if the lease is a finance purchase or a right to use lease liability. Then the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

A finance purchased asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The asset is depreciated on a straight-line basis over the life of the lease which is considered the asset's useful life. The asset is reported with the School capital assets as land, land improvements, buildings and improvements or furniture and equipment.

An intangible right-to use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date. The intangible right-to use lease asset is amortized on a straight-line basis over the life of the lease. The intangible right-to use lease asset is reported with the School's capital assets in its own category called Right-to-Use Lease Assets.

Key estimates and judgements related to leases include how the School determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.
The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District is utilizing the treasury bill rate (corresponding to length of lease) in place at the date of implementation along with other risk factors to determine the discount interest rate for leases.

The School has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The District has determined all of their copier lease agreements qualify as right-to-use assets. As of June 30, 2025, total future minimum lease payments under right-to-use lease agreements are as follows:

Year Ending June 30,		Amount
2026	$	5,146
	$	5,146

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 8. PENSION PLANS

Description of Plans - Eligible employees of the School District can be covered by Public Employees' Retirement System (PERS), Teachers' Pension and Annuity Fund (TPAF), or Defined Contribution Retirement Program (DCRP). PERS and TPAF are administered by the New Jersey Division of Pension and Benefits (NJDPB) and the DCRP is jointly administered by Prudential and NJDPB. The NJDPB issues publicly available financial reports that include financial statements and required supplementary information for the systems. These reports may be obtained online at https://www.state.nj.us/treasury/pensions/annual-reports.shtml.

Public Employees' Retirement System

The PERS is a cost sharing multiple-employer defined benefit pension plan that was established in 1955. The PERS provides retirement, death and disability, and medical benefits to qualified members. The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A. All benefits vest after ten years of service, except for medical benefits that vest after 25 years of service or under the disability provisions of PERS.

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

The following represents the membership tiers for PERS:

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

Contributions - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The PERS member total contribution rate as of July 1, 2021 was 7.5% of base salary. The District employees' contributions for the year ended June 30, 2025 were $49,084. Employers in PERS are required to contribute at an actuarially determined rate which includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. The PERS employer rate due in 2025 is 17.11% of covered payroll. The District is billed annually for its normal contribution plus any accrued liability. These contributions were paid by the District and equal to the required contributions for each year. The District's contributions to PERS for the years ended June 30, 2025, and 2024, were $85,955 and $79,862 respectively.

The total payroll for the year ended June 30, 2025 was $4,849,453. Payroll covered by PERS was $654,069 for fiscal year 2025.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

Components of Net Pension Liability - At June 30, 2025, the District's proportionate share of the PERS net pension liability was $858,330. The net pension liability was measured as of June 30, 2024. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The District's proportion measured as of June 30, 2024 was 0.006317% which was an increase of 0.00034% from its proportion measured as of June 30, 2023.

Pension Expense and Deferred Outflows/Inflows of Resources - The District's 2025 PERS pension expense, with respect to GASB 68, was $29,582. The District's 2025 deferred outflows of resources and deferred inflows of resources were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 17,194	$ 2,285
Changes of assumptions	1,066	9,766
Net difference between projected and actual earnings on pension plan investments		39,798
Changes in proportion	171,660	79,743
Contributions subsequent to the measurement date	85,955	
Total	$ 275,875	$ 131,592

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

Year	PERS
2025	$ 35,601
2026	(63,639)
2027	50,967
2028	32,564
2029	2,835
Thereafter	
Total	$ 58,328

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

Additional Information - Collective Balances at June 30, 2025 and 2024 are as follows:

Year		2025		2024
Collective deferred outflows of resources	$	275,875	$	283,130
Collective deferred inflows of resources	$	131,592	$	194,163
Collective Net Pension Liability	$	858,330	$	865,479
District's Proportion		0.006317%		0.005975%

Actuarial Assumptions - The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2021, which was rolled forward to June 30, 2024. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

	PERS
Investment Rate of Return	7.00%
Salary Increases: (Based on Years of Service):	2.75 – 6.55%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

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

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

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

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 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 asset class included in PERS's target asset allocation as of June 30, 2024 are summarized in the following table:

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers 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 to determine the total pension liability.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 8. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
District's Proportionate Share of the Net Pension Liability	$ 1,150,110	$ 858,330	$ 623,400

Teachers' Pension and Annuity Fund

The State of New Jersey Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special funding situation that was established in 1955. 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.

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

The following represents the membership tiers for TPAF:

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

Special Funding Situation - The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, 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, deferred outflows of resources, or deferred inflows of resources to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. In addition, each local participating employer must recognize pension expense associated with the employer as well as revenue in an amount equal to the nonemployer contributing entities' total proportionate share of the collective pension expense associated with the local participating employer.

NOTE 8. PENSION PLANS (CONTINUED)

Teachers' Pension and Annuity Fund (Continued)

Contributions - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. The member contribution rate was 7.5% in as of July 1, 2024. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2024 the State's pension contribution was more than the actuarial determined amount. Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the District and all other related non-contributing employers. No normal or accrued liability contribution by the District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, Accounting and Financial Reporting for Pensions. The District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2025 because of the 100% special funding situation with the State of New Jersey.

During the fiscal year ended June 30, 2025, the State of New Jersey contributed $1,421,371 to the TPAF for pension contributions, $415,326 for post-retirement benefits on behalf of the School, and $610 for long-term disability. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District $305,201 during the year ended June 30, 2025 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

Components of Net Pension Liability - At June 30, 2025, the District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the District.

Pension Expense - For the year ended June 30, 2025, the District recognized pension expense of $(59,939) and revenue of $(59,939) for support provided by the State.

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:

	TPAF
Investment Rate of Return	7.00%
Salary Increases	
(Based on Years of Service):	2.75 – 5.65%
Inflation Rate – Price	2.75%
Inflation Rate – Wage	3.25%

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 8. PENSION PLANS (CONTINUED)

Teachers' Pension and Annuity Fund (Continued)

Long-Term Expected Rate of Return - 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:

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

Discount Rate - The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be 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.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 8. PENSION PLANS (CONTINUED)

Teachers' Pension and Annuity Fund (Continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate - The following presents the collective net pension liability of the participating employers as of June 30, 2024, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
State's Share of the Net Pension Liability associated with the District	$ 20,036,121	$ 16,431,419	$ 14,427,298
State's Share of the Net Pension Liability	$ 58,828,334,396	$ 49,492,072,325	$ 41,629,174,739

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) is a multiple-employer defined contribution pension fund that was established in 2007 under the provisions of N.J.S.A 43:15C-1. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and long-term disability coverage. Vesting and benefit provisions are established by N.J.S.A. 43:15C-1 et seq.

The following represents the individuals eligible for membership in the DCRP:

	Eligibility
1.	State or Local Officials who are elected or appointed on or after July 1, 2007
2.	Employees enrolled in the PERS or TPAF on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits
3.	Employees enrolled in the PFRS or SPRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits
4.	Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least $5,000 annually
5.	Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least $5,000 annually

Contributions – The contribution policy is set by N.J.S.A 43:15C-3 and requires contributions by active members and contributing employers. Plan members are required to contribute 5.5% of their base salary and the District's employer match is an additional 3% contribution. For the year ended June 30, 2025, employee contributions totaled $1,595 and the District's employer contribution, recognized in pension expense, was $870. There were no forfeitures during the fiscal year.

Pension Plan Fiduciary Net Position - Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

State Health Benefit State Retired Employees Plan

Pension and Other Postemployment Benefits (OPEB) Obligations in Fiscal Year 2024 the State funded the various defined benefit pension systems at 108 percent of the full actuarially determined contributions. Employer contributions to the pension plans are calculated per the requirements of the governing State statutes using generally accepted actuarial procedures and practices. The actuarial funding method used to determine the State's contribution is a matter of State law. Any change to the funding method requires the approval of the State Legislature and the Governor. The amount the State actually contributes to the pension plans may differ from the actuarially determined contributions of the pension plans because the State's contribution to the pension plans is subject to the appropriation of the State Legislature and actions by the Governor. GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers to recognize their proportionate share of the collective net pension liability. Under the new statement, the calculation of the pension liability was changed to a more conservative methodology and each employer was allocated a proportional share of the pension plans' net pension liability. The State's share of the net pension liability, based on a measurement date of June 30, 2021, which is required to be recorded on the financial statements, is $75.1 billion. The Fiscal Year 2023 projected aggregate State contribution to the pension plans of $6.8 billion represents 104 percent of the actuarially determined contribution. The State provides post-retirement medical (PRM) benefits for certain State and other retired employees meeting the service credit eligibility requirements. In Fiscal Year 2022, the State paid PRM benefits for 161,238 State and local retirees. The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not prefund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2022, the State contributed $1.9 billion to pay for "pay-as-you-go" PRM benefit costs incurred by covered populations, a slight increase from $1.8 billion in Fiscal Year 2021. The State has appropriated $2.1 billion in Fiscal Year 2023 as the State's contribution to fund increases in prescription drugs and medical claims costs. In accordance with the provisions of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, effective for Fiscal Year 2018. The 7 State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is $88.9 billion, a decrease of $12.7 billion, or 12.5 percent from the $101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

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

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

General Information about the OPEB Plan (Continued)

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

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

Special Funding Situation

The participating local education employer allocations included in the supplemental Schedule of special funding amounts by employer are provided as each local education employer is required to record in their financial statements, as an expense and corresponding revenue, their respective amount of total OPEB expense attributable to the State of New Jersey under the special funding situation and to include their respective amount of total OPEB liability in their notes to their financial statements. The total OPEB liability and service cost for each employer was determined separately based on actual data for each employer's participants.

Total OPEB Liability

The State of New Jersey's total OPEB liability, as of the measurement date of June 30, 2024, was $59,650,630,530. Of this amount, the total OPEB liability attributable to the School District was $22,383,839. The State of New Jersey's proportionate share of the total OPEB liability is 100%, including the proportion attributable to the School District of 0.03752%. The total OPEB liability for the School District measured as of June 30, 2024 is zero as a result of the Special Funding Situation with the State of New Jersey. The School District's proportionate share of the total OPEB liability measured as of June 30, 2024 is 0.00%. Accordingly, the School District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Total Nonemployer OPEB Liability

The total nonemployer 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 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:

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

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP), "General" (PERS), and "Safety" (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using 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 disables 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.

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

Health Care Trend Assumptions

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

Discount rate

The discount rate 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.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

Changes in the Total OPEB Liability

State of New Jersey		Total OPEB Liability
Balance as of June 30, 2023 Measurement Date	$	52,361,668,240
Changes for the year:		
Service Cost		2,152,062,729
Interest		1,963,557,443
Changes of Benefit Terms		0
Differences between Expected and Actual		158,934,425
Changes of Assumptions		4,462,660,491
Benefit Payments		(1,499,600,607)
Contributions from Members		51,347,810
Net Changes		7,288,962,290
Balance as of June 30, 2024 Measurement Date	$	59,650,630,530

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

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

	June 30, 2024		
	At 1.00% Decrease 2.93%	At Discount Rate 3.93%	At 1.00% Increase 4.93%
$	69,863,663,542	59,650,630,530	51,437,232,141

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

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

	June 30, 2024		
	1.00% Decrease	Healthcare Cost Trend Rate	1.00% Increase
$	49,689,409,509	59,650,630,530	72,625,778,279

NOTE 9. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

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

For the year ended June 30, 2025, the School District recognized OPEB expense of $343,283. The School District reported deferred outflows of resources and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 2,383,688	$ (4,180,164)
Changes of Assumptions	3,754,358	(4,376,382)
Net difference Between Projected and Actual Earnings on OPEB Plan Investments		
Changes in Proportion	250,307	(1,527,222)
Contributions Subsequent to the Measurement Date		
Total	$ 6,398,353	$ (10,083,768)

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

Measurement Period Ending June 30,	OPEB
2025	$ 3,567,788
2026	3,701,225
2027	3,334,130
2028	2,581,442
2029	1,670,879
Thereafter	1,626,658
Total	$ 16,482,121

NOTE 10. COMPENSATED ABSENCES

The School District accounts for compensated absences as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the School District and its employees, is accrued as employees earn the rights to the benefits.

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

In the District-wide Statement of Net Position, the liabilities whose average maturities are greater than one year should be reported in two components-the amount due within one year and the amount due in more than one year.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 10. COMPENSATED ABSENCES – (CONT'D)

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2025, a liability existed for compensated absences in the governmental activities in the amount of $144,046.

NOTE 11. DEFERRED COMPENSATION

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows: Lincoln Investment Planning, AIG/Sunamerica, Valic, Prudential, New York Life, ING, GWN Marketing, Inc.

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. The District has chosen to purchase insurance to transfer risk to outside parties.

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

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

The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's trust fund for the current and prior two years:

Fiscal Year	Interest/District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2024-2025	$	$ 12,753	$	$ 255,172
2023-2024	4,402	35,229	13,594	242,419
2022-2023	684	20,857	7,957	216,382

NOTE 13. INTERFUND RECEIVABLES AND PAYABLES

Fiscal Year	Interfund Receivable	Interfund Payable
General Fund	$ 241,150	$
Special Revenue fund		167,600
Food Service Fund	1,151	73,550
Extended Day Fund		1,151
Total	$ 242,301	$ 242,301

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 14. FUND BALANCE APPROPRIATED

General Fund - Of the 3,415,409 General Fund balance at June 30, 2025, $1,754,428 has been restricted in the Capital Reserve Account, of which $150,000 has been withdrawn and appropriated and included as anticipated revenue for the year ended June 30, 2026; $477,477 has been restricted in a Maintenance Account, of which $0 has been appropriated and included as anticipated revenue for the year ending June 30, 2025; $255,172 has been restricted for Unemployment Compensation; $726,706 is restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7; $415,953 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2026; $381,983 has been assigned for encumbrances; $27,906 of unassigned fund balance has been assigned and appropriated and included as anticipated revenue for the year ending June 30, 2026; and there is a deficit in unassigned fund balance of $(208,263).

Debt Service Fund –The fund balance in the Debt Service Fund at June 30, 2025 is $0.

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2005, c.73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey School Funding Reform Act of 2008 (SFRA). New Jersey School Districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2025 is $726,706 of which $415,953 was budgeted in the 2025-2026 budget and $310,753 must be budgeted in the 2026-2027 budget.

NOTE 16. LITIGATION

The District is sometimes involved in claims and lawsuits incidental to operations. Per the District's legal counsel, there are no pending litigations, claims, assessments of contingent liability against the District.

NOTE 17. MAINTENANCE RESERVE

The District has a maintenance reserve with a balance of $477,477 at June 30, 2025.There was no interest earnings during the year.

New Jersey Statute 18A:7G-9 permits school districts to accumulate funds for the required maintenance of a facility in accordance with EFCFA. The balance may only be increased through an appropriation in the annual general fund budget certified for taxes. Upon completion of a school facilities projects, districts are required to submit a plan for maintenance of that facility. The activity of the maintenance reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning Balance July 1, 2024	$	477,477
Added by Resolution		
Withdrawn		
Added by Interest Earnings		
Ending Balance June 30, 2025	$	477,477

Districts are also permitted, as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit into the legal reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District did not deposit any additional funds into their Maintenance Reserve Account by Board Resolution in June 2025. The reserve is within the maximum balance of $477,477.

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 18. DEFICIT FUND BALANCES

The District has a deficit in Unassigned Fund Balance of ($208,263) in the General Fund and ($124,832) in the Special Revenue Fund. P.L. 2004, c.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budgeted purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize

this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e., if one government recognizes as asset, the other government recognizes a liability. Since the state is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the General and Special Revenue Fund balances do not alone indicate that the district is facing financial difficulties.

Pursuant to *N.J.S.A.* 18A:22-44.2, any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the payment of state aid until the following fiscal year is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The District's general fund deficit of ($208,263) is less than the last state aid payments of $497,307. The special revenue fund deficit of ($124,832) is equal to the last state aid payments.

NOTE 19. RECEIVABLES

Receivables at June 30, 2025 consisted of accounts (fees) and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of State programs and the current fiscal year guarantee of federal funds. Receivables as of year-end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

Receivables:	General Fund	Special Revenue Fund	Proprietary Funds	Total
Intergovernmental	$ 358,784	$ 93,258	$ 602	$ 452,644
Other	7,846			7,846
Totals	$ 366,630	$ 93,258	$ 602	$ 460,490

NOTE 20. TAX ABATEMENT

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 NJSA 54:4-75 and NJSA 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

NOTE 21. CONTINGENT LIABILITIES

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

NOTE 22. SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 25, 2025, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

End of Notes to Financial Statements

REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

EXHIBIT C-1
(1)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	$ 3,907,304	$	$ 3,907,304	$ 3,907,304	$
Tuition from Individuals	15,000		15,000	25,795	10,795
Interest on Investments				35,465	35,465
Interest on Investments - Maintenance Reserve	250		250		(250)
Interest on Investments - Capital Reserve	250		250	29,008	28,758
Unrestricted Miscellaneous Revenues	91,092		91,092	123,867	32,775
Total - Local Sources	4,013,896		4,013,896	4,121,439	107,543
State Sources:					
Equalization Aid	4,167,936		4,167,936	4,167,936	
Categorical Special Education Aid	483,912		483,912	483,912	
Categorical Transportation Aid	197,184		197,184	197,184	
Adjustment Aid	165,311		165,311	165,311	
Categorial Securtiy aid	95,815		95,815	95,815	
Extraordinary Aid				32,039	32,039
Non-Public Transportation Aid				7,005	7,005
On-behalf TPAF Pension Contribution				1,421,371	1,421,371
On-behalf TPAF Post Retirement Medical Contribution				415,326	415,326
On-behalf TPAF Long-term Disability Contribution				610	610
Reimbursement TPAF Social Security				305,201	305,201
Total - State Sources	5,110,158		5,110,158	7,291,710	2,181,552
Federal Sources:					
Medicaid Assistance (SEMI)	18,273		18,273	10,360	(7,913)
Total - Federal Sources	18,273		18,273	10,360	(7,913)
TOTAL REVENUES	$ 9,142,327	$ -	$ 9,142,327	$ 11,423,509	$ 2,281,182
EXPENDITURES:					
Current Expense:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Kindergarten	$ 285,129	$	$ 285,129	$ 215,540	$ 69,589
Grades 1-5	1,226,513	(81,918)	1,144,595	1,122,011	22,584
Grades 6-8	952,085	(143,824)	808,261	794,696	13,565
Home Instruction:					
Salaries of Teachers	2,500	3,780	6,280	6,280	
Purchased Professional Educational Services	1,000	(880)	120	120	
Other Purchased Services		5,680	5,680	5,680	
Regular Programs - Undistributed Instruction:					
Other Purchased Services	124,150	11,213	135,363	95,088	40,275
General Supplies	164,984		164,984	117,728	47,256
Other Objects	15,000	(812)	14,188	862	13,326
Total Regular Programs	$ 2,771,361	$ (206,761)	$ 2,564,600	$ 2,358,005	$ 206,595

EXHIBIT C-1
(2)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
Special Education					
Learning/Language Disabled:					
Instruction					
Salaries of Teachers	$ 63,334	$ (62,105)	$ 1,229		$ 1,229
Other Salaries for Instructions	23,200	(23,200)			
Total Learning/Language Disabled	86,534	(85,305)	1,229		1,229
Multiple Disabilities:					
Salaries of Teachers	223,192	57,053	280,245	279,790	455
Other Salaries for Instruction	69,600	(69,600)			
General Supplies	300	(300)			
Total Multiple Disabilities	293,092	(12,847)	280,245	279,790	455
Resource Room:					
Salaries of Teachers	322,700	(49,629)	273,071	273,071	
Other Salaries for Instruction	46,400	92,409	138,809	138,809	
Total Resource Room	369,100	42,780	411,880	411,880	
Autism:					
Salaries of Teachers					
General Supplies					
Total Autism					
TOTAL SPECIAL EDUCATION	748,726	(55,372)	693,354	691,670	1,684
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	149,116	87,589	236,705	236,670	35
General Supplies	500	700	1,200	987	213
Total Basic Skills/Remedial Instruction	149,616	88,289	237,905	237,657	248
Bilingual Education - Instruction:					
Salaries of Teachers		103,779	103,779	102,487	1,292
General Supplies		1,700	1,700	1,700	
Total Bilingual Instruction		105,479	105,479	104,187	1,292
School Sponsored Co-curricular Activities:					
Salaries	21,000	6,028	27,028	27,028	
Total School Sponsored Co-curricular Activities	21,000	6,028	27,028	27,028	
School Sponsored Athletics:					
Salaries	21,000	(6,028)	14,972	10,600	4,372
Purchased Services (300 - 500 series)	2,500		2,500	2,065	435
Supplies and Materials	5,500		5,500	445	5,055
Total School Sponsored Athletics	29,000	(6,028)	22,972	13,110	9,862
Total Instruction	3,719,703	(68,365)	3,651,338	3,431,657	219,681
Undistributed Expenditures:					
Instruction:					
Tuition - Other LEAs Within the State - Special	30,795	(28,048)	2,747		2,747
Tuition to CSSD and Regional Day Schools	7,293	6,909	14,202	12,060	2,142
Tuition - Other		13,200	13,200	13,141	59
Tuition to Private Schools for the Disabled Within State	73,361		73,361	70,337	3,024
Total Undistributed Expenditures - Instruction	$ 111,449	$ (7,939)	$ 103,510	$ 95,538	$ 7,972

EXHIBIT C-1
(3)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENDITURES: (Continued)					
Attendance and Social Work Services:					
Salaries	$ 25,170	$ (7,000)	$ 18,170	$ 17,172	$ 998
Total Attendance and Social Work Services	25,170	(7,000)	18,170	17,172	998
Health Services:					
Salaries	60,047		60,047	59,288	759
Purch Prof/ Tech Services	5,500	(1,315)	4,185	3,500	685
Other Purchased Services	150		150	137	13
Supplies and Materials	5,500	(550)	4,950	3,402	1,548
Total Health Services	71,197	(1,865)	69,332	66,327	3,005
Speech, OT, PT & Related Services:					
Salaries	121,542	95,898	217,440	217,440	
Purchased Prof - Education Services	59,000	(18,097)	40,903	39,337	1,566
Supplies and Materials	1,500	85	1,585	1,492	93
Total Speech, OT, PT & Related Services	182,042	77,886	259,928	258,269	1,659
Other Support Services - Extraordinary Services:					
Salaries	118,900	29,813	148,713	135,179	13,534
Purchased Prof - Education Services	131,873	24,043	155,916	149,251	6,665
Total Other Support Services - Extraordinary Services	250,773	53,856	304,629	284,430	20,199
Other Support Services - Students-Regular Guidance:					
Salaries of Other Professional Staff	56,006	(5,528)	50,478	50,393	85
Other Purchased Services (400-500 series)		5,250	5,250	4,500	750
Supplies and Materials	1,500	(442)	1,058	286	772
Total Other Support Services - Students-Regular Guidance	57,506	(720)	56,786	55,179	1,607
Other Support Services - Students- Child Study Teams:					
Salaries of Other Professional Staff	254,044	(39,904)	214,140	206,981	7,159
Salaries of Secretarial and Clerical Assistants	42,196	1,477	43,673	43,673	
Other Purchased Prof, and Tech. Services	9,000	(7,327)	1,673	1,100	573
Other Purchased Services (400 - 500 series)	4,900	(456)	4,444	4,425	19
Supplies and Materials	2,000	1,632	3,632	3,261	371
Other Objects	3,125	652	3,777	3,776	1
Total Other Support Services - Students- Child Study Teams	315,265	(43,926)	271,339	263,216	8,123
Improvement of Instructional Services:					
Salaries of Supervisor of Instructiopn		65,485	65,485	65,485	
Other Salaries	49,220	(48,620)	600	600	
Purchased Prof- Educational Services		675	675	663	12
Other Purch Services (400-500)		1,500	1,500	1,500	
Total Improvement of Instructional Services	49,220	19,040	68,260	68,248	12
Educational Media Services/School Library:					
Salaries	43,464	905	44,369	44,369	
Other Purchased Services	2,000	1,215	3,215	3,033	182
Supplies and Materials	1,000	(828)	172	172	
Total Educational Media Services/School Library	$ 46,464	$ 1,292	$ 47,756	$ 47,574	$ 182

EXHIBIT C-1
(4)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
Undistributed Expenditures:					
Instructional Staff Training Services:					
Other Purchased Services	$ 2,500	$ 96	$ 2,596	$ 2,585	$ 11
Total Inst. Staff Training Services	2,500	96	2,596	2,585	11
Support Services General Administration:					
Salaries	69,750	908	70,658	70,658	
Salaries					
Legal Services	15,000	(4,225)	10,775	8,432	2,343
Audit Fees	25,000	4,920	29,920	29,920	
Other Purchased Professional Services		2,100	2,100	2,100	
Architectural/Engineering Services	10,000	7,005	17,005	16,949	56
Purchased Technical Services	4,200	1,249	5,449	5,449	
Communication/Telephone	56,000	(31,862)	24,138	18,733	5,405
Other Purchased Services	19,081	(4,014)	15,067	15,063	4
General Supplies	300	800	1,100	314	786
Miscellaneous Expenditures	6,000	4,915	10,915	10,424	491
BOE Membership Dues and Fees	4,200		4,200	4,195	5
Total Support Services General Administration	209,531	(18,204)	191,327	182,237	9,090
Support Services School Administration:					
Salaries of Principals/Assistant Principals	69,750	907	70,657	70,657	
Salaries of Other Professional Staff	5,550		5,550	5,550	
Salaries of Secretarial and Clerical Assistants	83,577	12	83,589	83,397	192
Other Salaries		11,204	11,204	11,204	
Purchased Professional and Technical Services		225	225	225	
Other Purchased Services	11,000	5,553	16,553	16,543	10
Supplies and Materials	2,500	7,727	10,227	10,049	178
Other Objects	4,850	(327)	4,523	4,520	3
Total Support Services School Administration	177,227	25,301	202,528	202,145	383
Central Services:					
Salaries	57,000	(543)	56,457	56,357	100
Purchased Professional Services	102,000		102,000	102,000	
Purchased Technical Services	22,000	(644)	21,356	21,350	6
Miscellaneous Purchased Services (400-500)	1,000	1,554	2,554	2,553	1
Supplies and Materials	5,000	291	5,291	5,226	65
Miscellaneous Expenditures	150	849	999	999	
Total Central Services	187,150	1,507	188,657	188,485	172
Admin. Info. Technology:					
Purchased Technical Services	27,000	(615)	26,385	26,371	14
Total Admin. Info. Technology	27,000	(615)	26,385	26,371	14
Required Maintenance for School Facilities:					
Cleaning, Repair and Maintenance Services	138,300	(14,600)	123,700	100,451	23,249
General Supplies	40,000	(550)	39,450		39,450
Other Objects	46,000	300	46,300	44,764	1,536
Required Maintenance for School Facilities:	$ 224,300	$ (14,850)	$ 209,450	$ 145,215	$ 64,235

EXHIBIT C-1
(5)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES: (Continued)					
CURRENT EXPENSES: (Continued)					
Custodial Services:					
Salaries	$ 184,586	$ 6,840	$ 191,426	$ 191,083	$ 343
Cleaning, Repair, and Maintenance Services	112,000	(12,420)	99,580	99,567	13
Insurance	45,986	16,880	62,866	62,805	61
General Supplies	75,500	(4,940)	70,560	70,240	320
Energy (Natural Gas)	14,500	1,000	15,500	15,485	15
Energy (Electricity)	158,400	(30,760)	127,640	127,624	16
Other Objects	1,189		1,189	913	276
Total Custodial Services	592,161	(23,400)	568,761	567,717	1,044
Care and Upkeep of Grounds:					
Salaries					
Purchased Professional and Technical Services					
Cleaning, Repair and Maintenance Services	25,000	36,950	61,950	61,948	2
General Supplies	2,000	(2,000)			
Total Care and Upkeep of Grounds	27,000	34,950	61,950	61,948	2
Security:					
Purchased Professional and Technical Services	56,000	(600)	55,400	55,298	102
Total Security	56,000	(600)	55,400	55,298	102
Total Operation and Maintenance of Plant Services	899,461	(3,900)	895,561	830,178	65,383
Student Transportation Services:					
Contracted Services - Aid in Lieu of Payments - Nonpublic	19,805	208	20,013	20,009	4
Contracted Services - Aid in Lieu of Payments - Charter Sch	2,330	3,555	5,885	5,885	
Contracted Services - Aid in Lieu of Payments - Choice Sch	1,165	(1,165)			
Contracted Services (Other Than Bet Home & Sch) Vendor	28,000	(10,438)	17,562	17,560	2
Contracted Services (Bet Home & Sch) Joint Agmnts	467,204	37,066	504,270	504,270	
Contracted Services (Special Ed. Students) - ESCs & CTSAs	230,000	15,136	245,136	245,136	
Miscellaneous Purchased Services - Transportation		2,500	2,500	2,365	135
Total Student Transportation Services	748,504	46,862	795,366	795,225	141
Unallocated Benefits:					
Social Security Contributions	93,000	10,684	103,684	103,684	
Other Retirement Contributions - PERS	96,495	(10,519)	85,976	85,976	
Other Retirement Contributions - Regular	2,500	(1,165)	1,335	1,174	161
Unemployment Compensation		4,339	4,339	4,302	37
Workers Compensation	51,173	(1,815)	49,358	49,060	298
Health Benefits	1,556,294	(195,460)	1,360,834	1,183,063	177,771
Tuition Reimbursement	10,000		10,000		10,000
Other Employee Benefits	44,330	(4,135)	40,195	33,028	7,167
Unused Sick Payment to Terminated/ Retired Staff	26,040		26,040	14,720	11,320
Total Unallocated Benefits	1,879,832	(198,071)	1,681,761	1,475,007	206,754
On-behalf TPAF Pension Contributions				1,421,371	(1,421,371)
On-behalf TPAF Post Retirement Medical Contribution				415,326	(415,326)
On-behalf TPAF Long-term Disability Contribution				610	(610)
Reimbursement TPAF Social Security				305,201	(305,201)
Total Personal Services - Employee Benefits	1,879,832	(198,071)	1,681,761	3,617,515	(1,935,754)
Total Undistributed Expenditures	5,240,291	(56,400)	5,183,891	7,000,694	(1,816,803)
Interest Earned on Maintenance Reserve	250		250		250
TOTAL EXPENDITURES - CURRENT EXPENSE	$ 8,960,244	$ (124,765)	$ 8,835,479	$ 10,432,351	$ (1,596,872)

EXHIBIT C-1
(6)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Amendments/ Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES: (Continued)					
CAPITAL OUTLAY:					
Interest Deposit to Capital Reserve	$ 250	$	$ 250	$	$ 250
Equipment:					
Undistributed Expenditures - Instruction	92,000	(92,000)			
Undistributed Expenditures - Required Maint. for Sch. Fac.	76,000	13,181	89,181	77,201	11,980
Undistributed Expenditures - Custodial Svcs	8,000	22,391	30,391	30,390	1
Total Equipment	176,000	(56,428)	119,572	107,591	11,981
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA Funding	17,182		17,182	17,182	
Transfer to Capital Projects	150,000	202,000	352,000		352,000
Total Facilities Acquisition and Construction Services	167,182	202,000	369,182	17,182	352,000
TOTAL CAPITAL OUTLAY	343,432	145,572	489,004	124,773	364,231
TOTAL EXPENDITURES	9,303,676	20,807	9,324,483	10,557,124	(1,232,641)
Excess (Deficiency) of Revenues and Other Over (Under) Expenditures	(161,349)	(20,807)	(182,156)	866,385	1,048,541
Other financing sources (uses):					
Operating Transfer out - Charter Schools	(58,946)	(17,226)	(76,172)	(76,172)	
Transfer to Preschool Program	(89,166)		(89,166)	(89,166)	
Total Other Financing Sources	(148,112)	(17,226)	(165,338)	(165,338)	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(309,461)	(38,033)	(347,494)	701,047	1,048,541
Fund Balances, July 1	3,211,669		3,211,669	3,211,669	
Fund Balances, June 30	$ 2,902,208	$ (38,033)	$ 2,864,175	$ 3,912,716	$ 1,048,541

RECAPITULATION :

Reserved:	
Restricted Fund Balance:	
Excess Surplus	$ 310,753
Excess Surplus - Designated for Subsequent Year's Expenditures	415,953
Unemployment Compensation	255,172
Capital Reserve	1,604,428
Maintenance Reserve	477,477
Assigned:	
Capital Reserve - Designated for Subsequent Year's Expenditures	150,000
Encumbrances	381,983
Designated for Subsequent Year's Expenditures	27,906
Unassigned Fund Balance	289,044
	3,912,716
Reconciliation to Governmental Funds Statements (GAAP):	
Last State Aid Payment not Recognized on GAAP Basis	(497,307)
Fund Balance per Governmental Funds (GAAP)	$ 3,415,409

EXHIBIT C-2

HOPEWELL TOWNSHIP BOARD OF EDUCATION
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Federal Sources	$ 321,156	$ 9,817	$ 330,973	$ 329,370	$ 1,603
State Sources	1,562,130		1,562,130	1,436,306	125,824
Local Sources		63,193	63,193	66,088	(2,895)
Total Revenues	1,883,286	73,010	1,956,296	1,831,764	124,532
EXPENDITURES:					
Instruction					
Salaries of Teachers	503,340	(17,801)	485,539	485,302	237
Salaries - Other Instruction	167,696	(4,135)	163,561	149,982	13,579
Purchased Professional Technical Services			2,000	497	1,503
Purchased Professional Ed. Services	10,332	(9,946)	386	230.00	156
Other Purchased Services	112,872	30,111	142,983	142,983	
General Supplies	95,131	(16,319)	78,812	67,350	11,462
Total Instruction	889,371	(18,090)	873,281	846,344	26,937
Support Services					
Salaries - Supervisor of Instruction	15,155		15,155	15,155	
Salaries - Program Director	21,400		21,400	21,400	
Salaries - Other Professional Staff	52,188	(11,997)	40,191	40,191	
Salaries - Secretarial and Clerical	15,534	369	15,903	15,903	
Other Salaries for Instruction	33,641	(10,094)	23,547	22,753	794
Other Salaries - Family/Parent/Laison	10,500		10,500	10,500	
Salaries of Master Teachers	71,237	3,661	74,898	74,291	607
Personal Services-Employee Benefits	370,260	53,568	423,828	423,828	
Purchased Professional Technical Services		7,557	7,557	7,557	
Other Purchased Professional Services	20,000	33,585	53,585	52,843	742
Cleaning, Repair and Maintenance Services	15,000	(15,000)			
Transportation Between Home and School - Vendors	2,500	10,000	12,500	12,500	
Other Than Bet. Home & School - Grants	5,000	(4,976)	24		24
Other Purchased Services		100	100		100
Travel	5,000	(2,500)	2,500	2,145	355
Miscellaneous Purchased Services	13,500	(12,960)	540	540	
Scholarship			320	320	
Student Activity		60,873	60,873	60,872	1
Supplies and Materials	10,000	(2,301)	7,699	5,288	2,411
Total Support Services	660,915	109,885	771,120	766,086	5,034
Facilities Acquisition and Construction Services:					
Instructional Equipment	318,000		301,895	300,704	1,191
Non-Instructional Equipment	15,000		10,000	4,900	5,100
Total Facilities Acquisition and Construction Services	333,000		311,895	305,604	6,291
Total Expenditures	1,883,286	73,010	1,956,296	1,918,034	38,262
Other Financing Sources (Uses)					
Total Outflows	1,883,286	73,010	1,956,296	1,918,034	38,262
Excess (Deficiency) of Revenues Over (Under)					
Expenditures and Other Financing Sources (Uses)	$	$	$	$ (86,270)	$ (86,270)
Transfer from General Fund				89,166	89,166
Fund Balance, July 1				50,005	50,005
Fund Balance, June 30				$ 52,901	$ 52,901

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - PART II

EXHIBIT C-3

HOPEWELL TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGET-TO-GAAP RECONCILIATION
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

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

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	$ 11,423,509	E-1	$ 1,831,764
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. Prior Year				8,373
Current Year				(5,820)
State aid payment recognized for GAAP statements in current year, previously recognized for budgetary purposes.		374,163		102,529
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(497,307)		(124,832)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	$ 11,300,365	[B-2]	$ 1,812,014
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	$ 10,557,124	E-1	$ 1,918,034
Differences - budget to GAAP				
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. Prior Year				8,373
Current Year				(5,820)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes. Net transfers (outflows) to general fund				
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	$ 10,557,124	[B-2]	$ 1,920,587

REQUIRED SUPPLEMENTARY INFORMATION - PART III

EXHIBIT L-1

HOPEWELL TOWNSHIP BOARD OF EDUCATION
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	0.006317%	0.005975%	0.004716%	0.005115%	0.006135%	0.005746%	0.005671%	0.005134%	0.005209%	0.005092%
District's Proportionate Share of the Net Pension Liability	$ 858,330	$ 865,479	$ 711,637	$ 605,932	$ 1,000,416	$ 1,035,367	$ 1,113,857	$ 1,195,087	$ 1,542,889	$ 1,143,090
District's Covered-Employee Payroll	$ 654,069	$ 546,887	$ 448,745	$ 372,624	$ 374,274	$ 439,765	$ 393,070	$ 390,582	$ 342,827	$ 357,938
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	131.23%	158.26%	158.58%	162.61%	267.30%	235.44%	283.37%	305.98%	450.05%	319.35%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	68.22%	65.23%	62.91%	70.33%	58.32%	56.27%	53.60%	48.10%	40.14%	47.93%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

EXHIBIT L-2

HOPEWELL TOWNSHIP BOARD OF EDUCATION
Schedule of District Contributions
Public Employees' Retirement System (PERS)
Last Ten Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	$ 85,955	$ 79,862	$ 59,465	$ 59,901	$ 67,111	$ 55,893	$ 56,504	$ 47,560	$ 46,280	$ 43,779
Contributions in relation to the Contractually Required Contribution	(85,955)	(79,862)	(59,465)	(59,901)	(67,111)	(55,893)	(56,504)	(47,560)	(46,280)	(43,779)
Contribution Deficiency (Excess)	$	$	$	$	$	$	$	$	$	$
District's Covered-Employee Payroll	$ 654,069	$ 546,887	$ 448,745	$ 420,454	$ 372,624	$ 374,274	$ 439,765	$ 393,070	$ 390,582	$ 342,827
Contributions as a Percentage of Covered-Employee Payroll	13.14%	14.60%	13.25%	14.25%	18.01%	14.93%	12.85%	12.10%	11.85%	12.77%

EXHIBIT L-3

HOPEWELL TOWNSHIP BOARD OF EDUCATION
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's Proportion of the Net Pension Liability	0.033245%	0.032757%	0.033209%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
District's Proportionate Share of the Net Pension Liability	$ 16,431,419	$ 16,716,528	$ 17,134,004	$ 15,204,551	$ 21,192,709	$ 21,366,124	$ 21,894,173	$ 23,299,063	$ 27,729,244	$ 22,240,528
District's Covered-Employee Payroll	$ 4,197,730	$ 3,902,243	$ 4,105,624	$ 3,744,189	$ 3,659,917	$ 3,491,841	$ 3,460,481	$ 3,649,797	$ 3,490,672	$ 3,495,758
District's Proportionate Share of the Net Pension Liability as a percentage of its Covered-Employee Payroll	391.44%	428.38%	417.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan Fiduciary Net Position as a percentage of the Total Pension Liability	37.99%	34.68%	32.29%	35.52%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

Note: The amounts presented for each fiscal year were determined as of the prior fiscal year end measurement date.

EXHIBIT M-1

HOPEWELL TOWNSHIP BOARD OF EDUCATION
Required Supplementary Information - Part III
Schedule of Changes in the Total OPEB Liability and Related Ratios
State Health Benefit Local Education Retired Employees Plan
Last Ten Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability								
Service Cost	$ 690,306	$ 636,160	$ 828,072	$ N/A	$ N/A	$ N/A	$ N/A	$ N/A
Interest Cost	736,823	694,958	522,942	N/A	N/A	N/A	N/A	N/A
Changes of Benefit Terms								
Differences Between Expected and Actual Experiences	92,957	(847,219)	1,139,532	N/A	N/A	N/A	N/A	N/A
Changes of Assumptions	1,674,609	39,773	(5,293,514)	N/A	N/A	N/A	N/A	N/A
Member Contributions	19,268	17,809	16,617	N/A	N/A	N/A	N/A	N/A
Gross Benefit Payments	(562,724)	(541,731)	(517,990)	N/A	N/A	N/A	N/A	N/A
Net Change in Total OPEB Liability	2,651,239	(250)	(3,304,341)	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability - Beginning	19,732,600	19,732,850	23,037,191	26,398,807	17,444,824	19,440,326	23,646,195	N/A
Total OPEB Liability - Ending	$ 22,383,839	$ 19,732,600	$ 19,732,850	$ 23,037,191	$ 26,398,807	$ 17,444,824	$ 19,440,326	$ 23,646,195
Covered-Employee Payroll	$ 4,851,799	$ 4,449,130	$ 4,554,369	$ 4,116,813	$ 4,034,191	$ 3,931,606	$ 3,853,551	$ 4,040,379
Total OPEB Liability as a Percentage of Covered-Employee Payroll	461.35%	458.95%	448.35%	490.06%	549.03%	341.92%	369.90%	390.64%

N/A = Information not available

Notes to Schedule:

Changes of Benefit Terms: The decrease in liability from June 30, 2020 to June 30, 2021 is due to employers adopting Chapter 44 provisions.

Differences Between Expected and Actual Experiences: The decrease in liability from June 30, 2020 to June 30, 2021 is due to changes in the census.

Changes in Assumptions: The increase in the liability from June 30, 2020 to June 30, 2021 is due to the combined effect of Trend Updates, Mortality Projection Scale Updates, Discount Rate Changes, and Salary Scale changes.

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

SPECIAL REVENUE FUND DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

EXHIBIT E-1
(1)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	ESEA			IDEA		Equalization Stabilization Fund / ARP Consolidated					Totals	
	Title I Part A	Title II Part A	Title IV Part A	I.D.E.A. Part B Basic	I.D.E.A. Pre-School	ARP ESSER III	ARP EBSLEA	Beyond School Day	ARP NJTSS	Sub-Total Per E-1 (2)	2025	2024
	2024-2025	2024-2026	2024-2025									
REVENUES:												
Federal Sources	$ 123,660	$ 14,419	$ 8,397	$ 140,347	$ 2,142	$ 9,880	$ 8,590	$ 4,677	$ 6,377	$ 10,881	$ 329,370	$ 912,343
State Sources										1,436,306	1,436,306	1,070,316
Local Sources										66,088	66,088	42,897
Total Revenues	123,660	14,419	8,397	140,347	2,142	9,880	8,590	4,677	6,377	1,513,275	1,831,764	2,025,556
EXPENDITURES:												
Instruction:												
Salaries of Teachers	75,000	8,700					8,500	1,601		391,501	485,302	580,783
Salaries - Personal Services												103,602
Salaries - Other Instruction										149,982	149,982	122,256
Salaries - Non Pensionable												37,558
Purchased Profess and Tech. Services			497								497	2,000
Purchased Professional and ED. Services										230	230	
Other Purchased Services				140,347	2,142					494	142,983	140,097
General Supplies	660	151	7,900			7,004	90	3,076		48,469	67,350	95,061
Other Objects												531
Total Instruction	75,660	8,851	8,397	140,347	2,142	7,004	8,590	4,677		590,676	846,344	1,081,888
Support Services:												
Salaries - Supervisor of Instruction										15,155	15,155	
Salaries - Program Director										21,400	21,400	26,109
Salaries - Other Professional Staff										40,191	40,191	23,661
Salaries - Personal Services										15,903	15,903	87,420
Clerical Salaries										22,753	22,753	31,088
Other Salaries												63,318
Other Salaries - Family/Parent/Laison										10,500	10,500	
Salaries of Master Teachers										74,291	74,291	71,237
Personal Services-Employee Benefit	48,000	5,568								370,260	423,828	438,641
Purchased Profess. Tech. Services						1,180			6,377		7,557	66,978
Other Purchased Professional Services										52,843	52,843	11,496
Cleaning, Repair and Maint. Services												11,561
Transp. Bet. Home & School - Vendors										12,500	12,500	107,052
Other Purchased Services												3,336
Travel										2,145	2,145	3,055
Miscellaneous Purchased Services										540	540	2,198
Scholarships										320	320	
Student Activity										60,872	60,872	31,100
Supplies and Materials						1,696				3,592	5,288	1,348
Total Support Services	48,000	5,568				2,876			6,377	703,265	766,086	979,598
Facilities Acquisition/Construction:												
Instructional Equipment										300,704	300,704	10,453
Non-Instructional Equipment										4,900	4,900	
Total Facilities Acquisition/Construction										305,604	305,604	
Total Expenditures	$ 123,660	$ 14,419	$ 8,397	$ 140,347	$ 2,142	$ 9,880	$ 8,590	$ 4,677	$ 6,377	$ 1,599,545	$ 1,918,034	$ 2,071,939
Excess (Deficiency) of Revenues Over (Under) Expenditures										(86,270)	(86,270)	(46,383)
Transfer from General Fund										89,166	89,166	56,180
Fund Balance, July 1										50,005	50,005	40,208
Fund Balance, June 30										$ 52,901	$ 52,901	$ 50,005

EXHIBIT E-1
(2)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2024)

	Scholarship Fund	Student Activity Fund	REAP	Other Local Projects	Preschool Education 2024-25	Totals 2025
REVENUES:						
Federal Sources	$	$	$ 10,881	$	$	$ 10,881
State Sources					1,436,306	1,436,306
Local Sources	754	63,334		2,000		66,088
Total Revenues	754	63,334	10,881	2,000	1,436,306	1,513,275
EXPENDITURES:						
Instruction:						
Salaries of Teachers					391,501	391,501
Salaries - Other Instructional					149,982	149,982
Purchased Educational Services					230	230
Other Purchased Services					494	494
General Supplies			10,881	2,000	35,588	48,469
Total Instruction			10,881	2,000	577,795	590,676
Support Services:						
Salaries - Supervisor of Instruction					15,155	15,155
Salaries of Principals/ Aps/ Program Directors					21,400	21,400
Salaries of Other Professional Staff					40,191	40,191
Salaries of Secretarial and Clerical Assistants					15,903	15,903
Other Salaries					22,753	22,753
Other Salaries - Family/Parent/Laison					10,500	10,500
Salaries of Facilitators/ Coaches/ Master Teachers					74,291	74,291
Personal Services-Employee Benefits					370,260	370,260
Other Purchased Professional Services					52,843	52,843
Transp. Bet. Home & School - Vendors					12,500	12,500
Travel					2,145	2,145
Miscellaneous Purchased Services					540	540
Scholarship	320					320
Student Activity		60,872				60,872
Materials and Supplies					3,592	3,592
Total Support Services	320	60,872			642,073	703,265
Facilities Acquisition/Construction:						
Instructional Equipment					300,704	300,704
Non - Instructional Equipment					4,900	4,900
Total Facilities Acquisition/Construction					305,604	305,604
Total Expenditures	$ 320	$ 60,872	$ 10,881	$ 2,000	$ 1,525,472	$ 1,599,545
Excess (Deficiency) of Revenues Over (Under) Expenditures	434	2,462			(89,166)	
Transfer from General Fund					89,166	89,166
Fund Balance, July 1	420	49,585				50,005
Fund Balance, June 30	$ 854	$ 52,047			$	$ 52,901

EXHIBIT E-2

HOPEWELL TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Budgeted	Actual	Variance
EXPENDITURES:			
Instruction:			
Salaries of Teachers	$ 391,738	$ 391,501	$ 237
Other Salaries for Instruction	163,561	149,982	13,579
Purchased Educational Services	387	230	157
Other Purchased Services	494	494	
Supplies & Materials	47,050	35,588	11,462
Total Instruction	603,230	577,795	25,435
Support Services:			
Salaries- Superviso	15,155	15,155	
Salaries of Principals/ Aps/ Program Directors	21,400	21,400	
Salaries of Other Professional Staff	40,192	40,191	1
Salaries of Secretarial and Clerical Assistants	15,903	15,903	
Other Salaries	34,047	22,753	11,294
Other Salaries - Family/Parent/Laison	10,500	10,500	
Salaries of Facilitators/ Coaches/ Master Teachers	74,898	74,291	607
Personal Services - Employee Benefits	370,260	370,260	
Other Purchased Professional Services	53,585	52,843	742
Transp. Bet. Home & School - Vendors	12,500	12,500	
Transportation - Field Trips	24		24
Travel	2,500	2,145	355
Miscellaneous Purchased Services	541	540	1
Supplies & Materials	6,000	3,592	2,408
Total Support Services	657,505	642,073	15,432
Facilities Acquisition and Const. Services:			
Instructional Equipment	301,895	300,704	1,191
Non Instructional Equipment	10,000	4,900	5,100
Total Facilities Acquisition and Const. Services	311,895	305,604	6,291
Contribution to Charter Schools			
Total Expenditures	$ 1,572,630	$ 1,525,472	$ 47,158

CALCULATION OF BUDGET AND CARRYOVER

Total Revised 2024-2025 Preschool Education Aid Allocation	$ 1,248,324	(1)
Add: Actual ECPA/PEA Carryover (June 30, 2024)	179,609	(2)
Prior Year Adjustment	8,373	
Add: Budgeted Transfer from the General Fund 2024-2025	89,166	(3)
Total Preschool Education Aid Funds Available for 2024-2025 Budget	1,525,472	(4)
Less: 2021-2022 Budgeted Preschool Education Aid (including prior year budget carryover)	(1,572,630)	(5)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2025	(47,158)	(6)
Add: June 30, 2025 Unexpended Preschool Education Aid	47,158	(7)
Less: 2024-2025 Commissioner-approved Transfer to the General Fund		(8)
2024-2025 Carryover - Preschool Education Aid Programs		(9)
2024-2025 Preschool Education Aid Carryover Budgeted for Preschool Programs 2025-2026	179,609	(10)
The Board should consider adjusting this amount of carry-over into the 2025-2026 budget	$ (179,609)	

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 in all schools within the school district.

EXHIBIT G-1

HOPEWELL TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2025 AND 2024

	Food Service Enterprise Fund	Extended Day Enterprise Fund	Totals 2025	Totals 2024
ASSETS:				
Current Assets:				
Cash and Cash Equivalents	$ 242,486	$ 83,787	$ 326,273	$ 263,648
Accounts Receivable:				
State	301		301	703
Federal	301		301	8,422
Other	7,091	3,924	11,015	7,697
Interfund Receivable	1,151		1,151	1,151
Inventories	7,441		7,441	3,457
Total Current Assets	258,771	87,711	346,482	285,078
Fixed Assets:				
Equipment	208,084		208,084	208,084
Accumulated Depreciation	(159,688)		(159,688)	(151,255)
Total Fixed Assets	48,396		48,396	56,829
Total Assets	307,167	87,711	394,878	341,907
LIABILITIES:				
Current Liabilities:				
Accounts Payable	22,434		22,434	
Interfund Payable	73,550	1,151	74,701	22,515
Unearned Revenue	5,605	728	6,333	12,849
Total Current Liabilities	101,589	1,879	103,468	35,364
NET POSITION:				
Invested in Capital Assets Net of Related Debt	48,396		48,396	56,829
Unrestricted	157,182	85,832	243,014	249,714
Total Net Position	$ 205,578	$ 85,832	$ 291,410	$ 306,543

EXHIBIT G-2

HOPEWELL TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

	Food Service Enterprise Fund	Extended Day Enterprise Fund	Totals 2025	Totals 2024
OPERATING REVENUES:				
Local Sources:				
Daily Sales - Reimbursable Programs:				
School Lunch Program	$ 50,313	$	$ 50,313	$ 53,280
Total Daily Sales - Reimbursable Programs				
Daily Sales Non-Reimbursable Programs	26,878		26,878	31,030
Fees for services		93,319	93,319	29,834
Total Operating Revenue	77,191	93,319	170,510	114,144
OPERATING EXPENSES:				
Salaries	107,518	67,979	175,497	127,579
Employee Benefits	26,525		26,525	18,284
Supplies and Materials	15,659		15,659	16,308
Depreciation	8,433		8,433	9,280
Cost of Sales - Reimbursable Programs	130,144		130,144	118,626
Cost of Sales - Non-Reimbursable Programs	10,842		10,842	9,880
Insurance	2,869		2,869	
Management Fee	40,000		40,000	35,100
Miscellaneous Expenditures	31,655		31,655	27,334
Total Operating Expenses	373,645	67,979	441,624	362,391
Operating Income (Loss)	(296,454)	25,340	(271,114)	(248,247)
Non-Operating Revenues:				
State Sources:				
State School Breakfast Program	7,995		7,995	3,547
State School Lunch Program	14,956		14,956	5,078
Summer-EBT Administrative Cost	301		301	321
Federal Sources:				
School Breakfast Program	61,991		61,991	61,241
National School Lunch Program	148,100		148,100	119,253
Supply Chain Assistance Funding				16,594
Summer-EBT Administrative Cost	301		301	322
Food Distribution Program	20,245		20,245	22,425
Interest	940	1,152	2,092	
Fixed Asset Adjustment				(26,396)
Total Non-Operating Revenues	254,829	1,152	255,981	202,385
Net Income before Operating Transfers	(41,625)	26,492	(15,133)	(45,862)
Net Income	(41,625)	26,492	(15,133)	(45,862)
Net Position - July 1	247,203	59,340	306,543	352,405
Net Position - June 30	$ 205,578	$ 85,832	$ 291,410	$ 306,543

EXHIBIT G-3

HOPEWELL TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR THE FISCAL YEARS ENDED JUNE 30, 2025 AND 2024

	Food Service Enterprise Fund	Extended Day Enterprise Fund	Totals 2025	Totals 2024
Cash Flows from Operating Activities:				
Receipts from Customers	$ 77,191	$ 93,319	$ 170,510	$ 114,144
Payments to Employees and Employee Benefits	(134,043)	(67,979)	(202,022)	(145,863)
Payments to Suppliers	(153,991)	(7,853)	(161,844)	(193,513)
Net Cash Provided by Noncapital Financing Activities	(210,843)	17,487	(193,356)	(225,232)
Cash Flows from Noncapital Financing Activities:				
Cash Received from State and Federal Reimbursements	253,889		253,889	228,781
Miscellaneous				
Net Cash Provided by Noncapital Financing Activities	253,889		253,889	228,781
Cash Flows from Capital & Related Financing Activities				
Purchase of Capital Assets				
Net Cash Provided by Capital and Related Financing Activities				
Cash Flows From Investing Activities				
Interest and Dividends	940	1,152	2,092	
Net Cash Provided by Investing Activities	940	1,152	2,092	
Net Decrease in Cash and Cash Equivalents	43,986	18,639	62,625	3,549
Cash and Cash Equivalents, July 1	198,500	65,148	263,648	260,099
Cash and Cash Equivalents, June 30	$ 242,486	$ 83,787	$ 326,273	$ 263,648
Operating Income (Loss)	$ (296,454)	$ 25,340	$ (271,114)	$ (248,247)
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:				
Depreciation	8,433		8,433	9,280
Food Distribution Program				
Change in Assets and Liabilities:				
(Increase)/Decrease in Accounts Receivable	1,432	3,773	5,205	(6,170)
(Increase)/Decrease in Interfund Receivable				(1,151)
(Increase)/Decrease in Inventory	(3,984)		(3,984)	(1,296)
Increase/(Decrease) in Accounts Payable	22,434		22,434	(204)
Increase/(Decrease) in Interfund Payable	52,186		52,186	22,515
Increase/(Decrease) in Unearned Revenue	5,110	(11,626)	(6,516)	41
Net Cash Used by Operating Activities	$ (210,843)	$ 17,487	$ (193,356)	$ (225,232)

EXHIBIT G-4

HOPEWELL TOWNSHIP BOARD OF EDUCATION
SHARED SERVICE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2025

		June 30, 2025
ASSETS:		
Cash	$	6,209
Total Assets	$	6,209
LIABILITIES AND NET POSITION:		
Liabilities:		
Accounts Payable	$	
Unearned Revenue		
Total Liabilities		
Net Position:		
Unreserved		6,209
Total Net Position		6,209
Total Liabilities and Net Position	$	6,209

EXHIBIT G-5

HOPEWELL TOWNSHIP BOARD OF EDUCATION
SHARED SERVICE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE FISCAL YEARS ENDED 2025

	June 30, 2025
OPERATING REVENUES:	
Child Study Team Fees	$ 43,419
Speech/OT Fees	75,160
Total Operating Revenue	118,579
OPERATING EXPENSES:	
Salaries	118,579
Employee Benefits	
Purchased Professional Services	
Total Expenses	118,579
Change in Net Position	
Net Position - July 1	6,209
Net Position - June 30	$ 6,209

EXHIBIT G-6

HOPEWELL TOWNSHIP BOARD OF EDUCATION
SHARED SERVICE FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	June 30, 2025
Cash Flows from Operating Activities:	
Receipts from Customers	$ 118,579
Payments to Employees	(118,579)
Payments for Employee Benefits	
Payments to Suppliers	
Net Cash Provided by (used for) Operating Activities	
Cash Flows from Non-capital Financing Activities:	
Operating subsidies and transfers to other funds	
Net Cash Provided by Non-capital Financing Activities	
Cash Flows from Capital and Related Financing Activities	
Net Cash Provided by Capital and Related Financing Activities	
Cash Flows from Investing Activities	
Net Cash Provided by Investing Activities	
Net Increase in Cash	
Cash and Cash Equivalents, July 1	6,209
Cash and Cash Equivalents, June 30	$ 6,209
Operating Income (Loss)	$
Adjustments to Reconcile Operating Income (Loss) to Cash Used by Operating Activities:	
Change in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	
(Increase) Decrease in Interfund Receivable	
Increase (Decrease) in Unearned Revenue	
Increase (Decrease) in Accounts Payable	
Total Adjustments	
Net Cash Used by Operating Activities	$

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

EXHIBIT I-1

HOPEWELL TOWNSHIP BOARD OF EDUCATION
GENERAL LONG-TERM DEBT ACCOUNT GROUP
STATEMENT OF SERIAL BONDS
LOANS PAYABLE

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance July 1, 2024	Issued	Retired	Balance June 30, 2025
Serial Bonds for Hopewell Crest School alterations & Improvements,	7/2/09	$2,821,000	9/1/24	241,000	4.30%	$ 241,000	$	$ 241,000	$
Totals						$ 241,000	$	$ 241,000	$

EXHIBIT I-3

HOPEWELL TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 139,190	$	$ 139,190	$ 139,190	$
State Sources:					
Debt Service Aid Type II	106,992		106,992	106,992	
TOTAL REVENUES	246,182		246,182	246,182	
EXPENDITURES:					
Regular Debt Service					
Interest	5,182		5,182	5,182	
Redemption of Principal	241,000		241,000	241,000	
Total Regular Debt Service	246,182		246,182	246,182	
Excess (Deficiency) of Revenues Over (Under) Expenditures					
Other Financing Sources (Uses) Operating Transfers In					
Excess (Deficiency) of Revenues and Other Financing Sources Over/ (Under) Expenditures and Other Financing Sources					
Fund Balance, July 1					
Fund Balance, June 30	$	$	$	$	$

STATISTICAL SECTION

EXHIBIT J-1

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
Net Investment in Capital Assets	$ 6,177,012	$ 6,536,521	$ 6,736,119	$ 7,121,960	$ 8,067,857	$ 8,113,919	$ 8,211,173	$ 9,474,872	$ 9,624,278	$ 9,639,624
Restricted	2,803,080	2,642,017	2,504,289	2,523,715	1,401,436	1,425,968	1,519,943	1,212,022	1,441,959	1,662,256
Unrestricted (Deficit)	(1,139,309)	(1,338,549)	(1,354,008)	(1,374,530)	(888,255)	(731,361)	(391,744)	(1,070,697)	(1,051,122)	(775,090)
Total Governmental Activities Net Position	$ 7,840,783	$ 7,839,989	$ 7,886,400	$ 8,271,145	$ 8,581,038	$ 8,808,526	$ 9,339,372	$ 9,616,197	$ 10,015,115	$ 10,526,790
Business-Type Activities										
Invested In Capital Assets, Net of Related Debt	$ 66,755	$ 63,724	$ 71,642	$ 77,609	$ 92,352	$ 104,507	$ 102,632	$ 92,505	$ 56,829	$ 48,396
Unrestricted	126,655	157,631	160,781	185,179	155,610	114,775	189,704	259,900	249,714	243,014
Total Business-Type Activities Net Position	$ 193,410	$ 221,355	$ 232,423	262,788	$ 247,962	219,282	$ 292,336	$ 352,405	$ 306,543	$ 291,410
District-Wide										
Invested In Capital Assets, Net of Related Debt	$ 6,243,767	$ 6,600,245	$ 6,807,761	$ 7,199,569	$ 8,160,209	$ 8,218,426	$ 8,313,805	$ 9,567,377	$ 9,681,107	$ 9,688,020
Restricted	2,803,080	2,642,017	2,504,289	2,523,715	1,401,436	1,425,968	1,519,943	1,212,022	1,441,959	1,662,256
Unrestricted (Deficit)	(1,012,654)	(1,180,918)	(1,193,227)	(1,189,351)	(732,645)	(616,586)	(202,040)	(810,797)	(801,408)	(532,076)
Total District-Wide Net Position	$ 8,034,193	$ 8,061,344	$ 8,118,823	$ 8,533,933	$ 8,829,000	$ 9,027,808	$ 9,631,708	$ 9,968,602	$ 10,321,658	$ 10,818,200

Source: ACFR Schedule A-1

EXHIBIT J-2

HOPEWELL TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)
(UNAUDITED)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses:										
Governmental Activities										
Instruction										
Regular	$ 2,577,743	2,576,906	2,640,790	2,465,114	5,005,449	5,739,894	5,507,869	3,435,404	3,474,321	3,209,166
Special Education	874,128	910,526	945,751	1,099,114	1,257,305	1,655,983	1,283,608	743,988	529,616	691,670
Other Special Education	18,204	14,878	26,325	23,596	243,072	271,682	281,655	16,792	34,873	341,844
Other Instruction	94,302	91,260	92,701	102,555	138,159	42,920	130,233	27,648	18,400	40,138
Support Services										
Tuition	183,681	92,058	55,085	98,227	150,586	84,033	263,509	54,823	54,164	95,538
Student and Instruction Related Services	733,725	778,456	838,513	893,499	1,560,329	1,850,931	1,500,285	1,089,112	1,348,230	1,408,814
General and Business Administrative Services	335,315	372,243	403,930	446,322	549,304	655,239	575,469	182,741	186,038	182,237
School Administrative Services	154,631	138,793	132,546	135,934	254,188	286,585	363,437	214,687	190,152	202,145
Central Services								226,690	176,362	188,485
Administrative Information Technology								46,347	25,544	26,371
Plant Operations and Maintenance	731,179	703,984	778,729	763,775	828,186	831,695	932,998	1,268,964	665,879	830,178
Pupil Transportation	520,748	440,541	538,917	444,958	536,518	440,505	563,224	605,467	669,340	795,225
Business and Other Support Services	2,956,700	3,968,116	4,426,182	3,381,492				2,341,432	2,603,776	2,399,903
Transfer to Charter Schools			887		17,438	53,022	96,107			
Interest on Long-Term Debt	111,735	103,193	89,239	80,295	71,579	60,720	51,008	40,413	29,616	18,610
Internal Service	45,108			52,623					424,975	424,028
Total Governmental Activities Expenses	9,337,199	10,190,954	10,969,595	9,987,504	10,612,113	11,973,209	11,549,402	10,294,508	10,431,286	10,854,352
Business-Type Activities										
Food Service	203,240	223,253	235,609	241,456	231,236	230,609	347,572	352,839	342,662	373,645
Extended Day	43,802	53,417	66,184	73,325	74,766	58,770	84,218	97,473	19,729	67,979
Total Business-Type Activities Expense	247,042	276,670	301,793	314,781	306,002	289,379	431,790	450,312	362,391	441,624
Total District Expenses	$ 9,584,241	10,467,624	11,271,388	10,302,285	10,918,115	12,262,588	11,981,192	10,744,820	10,793,677	11,295,976
Program Revenues										
Governmental Activities										
Charges for Services	$ 208,973	69,689	58,630	145,349	73,491	114,633	176,361		378	118,579
Operating Grants and Contributions	1,951,636	2,672,938	3,318,397	2,346,041	518,173	752,243	974,005	2,354,067	2,750,819	2,341,330
Total Governmental Activities Program Revenues	2,160,609	2,742,627	3,377,027	2,491,390	591,664	866,876	1,150,366	2,354,067	2,751,197	2,459,909
Business-Type Activities										
Charges for Services										
Food Service	113,270	89,194	100,423	123,423	127,779	41,624	14,525	167,145	84,310	76,251
Child Care	74,004	85,942	83,256	94,934		25,625	71,304			
Extended Day								93,549	29,834	93,319
Operating Grants and Contributions	113,659	132,952	129,182	131,399	163,397	193,204	418,835	249,687	202,385	254,829
Total Business-Type Activities Program Revenues	300,933	308,088	312,861	349,756	291,176	260,453	504,664	510,381	316,529	424,399
Total District Program Revenues	$ 2,461,542	3,050,715	3,689,888	2,841,146	882,840	1,127,329	1,655,030	2,864,448	3,067,726	2,884,308
Net (Expense)/Revenue										
Governmental Activities	$ (7,176,590)	(7,448,327)	(7,592,568)	(7,496,114)	(10,020,449)	(11,135,259)	(10,399,036)	(7,940,441)	(7,680,089)	(8,394,443)
Business-Type Activities	53,891	31,418	11,026	34,975	(14,826)	(28,926)	72,874	60,069	(45,862)	(17,225)
Total District-Wide Net Expense	$ (7,122,699)	(7,416,909)	(7,581,542)	(7,461,139)	(10,035,275)	(11,164,185)	(10,326,162)	(7,880,372)	(7,725,951)	(8,411,668)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property Taxes Levied for General Purposes, net	$ 3,322,725	3,389,179	3,456,963	3,522,875	3,571,169	3,609,744	3,681,939	3,755,578	3,830,690	3,907,304
Taxes Levied for Debt Service	321,586	202,163	198,842	170,020	195,212	105,645	155,535	200,811	150,212	139,190
Unrestricted Grants and Contributions	3,882,550	3,771,975	3,889,976	4,094,136	6,205,915	7,394,744	6,762,823	4,097,733	3,989,532	5,018,582
Investment Earnings	5,688	3,225	2,990	2,882	2,540	2,031	1,383	3,725	63,569	64,473
Miscellaneous Income	119,356	86,615	90,208	92,284	128,481	221,657	328,202	228,551	247,762	215,750
Other Adjustments	(308,859)									
Fixed Asset Adjustment									(147,984)	(363,009)
Transfers								(69,132)	(54,774)	(76,172)
Total Governmental Activities	7,343,046	7,453,157	7,638,979	7,882,197	10,103,317	11,333,821	10,929,882	8,217,266	8,079,007	8,906,118
Business-Type Activities										
Fixed Asset Adjustment										
Other Adjustments	(4,681)					-				
Miscellaneous							180			2,092
Sale of Equipment						246				
Transfers										
Total Business-Type Activities	(4,681)					246	180			2,092
Total District-Wide	$ 7,338,365	7,453,157	7,638,979	7,882,197	10,103,317	11,334,067	10,930,062	8,217,266	8,079,007	8,908,210
Change in Net Position										
Governmental Activities	$ 166,456	4,830	46,411	386,083	82,868	227,488	530,846	276,825	398,918	511,675
Business-Type Activities	49,210	31,418	11,068	34,975	(14,826)	(28,680)	73,054	60,069	(45,862)	(15,133)
Total District-Wide	$ 215,666	36,248	57,479	421,058	68,042	198,808	603,900	336,894	353,056	496,542

Source: ACFR Schedule A-2

EXHIBIT J-3

HOPEWELL TOWNSHIP BOARD OF EDUCATION
FUND BALANCES-GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)
(UNAUDITED)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund:										
Restricted	$ 2,152,346	$ 2,266,140	$ 1,667,781	$ 1,212,331	$ 1,735,378	$ 1,931,973	$ 2,256,375	$ 2,103,599	$ 2,842,374	$ 3,063,783
Committed	24,549	45,019	16,444	36,303	18,825	27,680	72,303			
Assigned	308,661	119,114	1,215	52,320	3,190	66,966	4,192	190,635	91,389	559,889
Unassigned (Deficit)	(64,078)	(89,369)	(836,336)	(98,236)	(96,642)	(21,344)	(14,269)	(55,804)	(96,257)	(208,263)
Total General Fund	$ 2,421,478	$ 2,340,904	$ 849,104	$ 1,202,718	$ 1,660,751	$ 2,005,275	$ 2,318,601	$ 2,238,430	$ 2,837,506	$ 3,415,409
All Other Governmental Funds:										
Restricted	$	$	$	$	$	$	$	$ 40,208	$ 50,005	$ 52,901
Committed to Capital Projects Fund	318,621	212,841	818,849	146,602	148,896	48,896				
Unassigned, Reported in:					(15,855)	(4,024)	8,755			
Special Revenue Fund (Deficit)								(71,647)	(102,529)	(124,832)
Debt Service Fund	1,097	1,097								
Total All Other Governmental Funds (Deficit)	$ 319,718	$ 213,938	$ 818,849	$ 146,602	$ 133,041	$ 44,872	$ 8,755	$ (31,439)	$ (52,524)	$ (71,931)

Source: ACFR Schedule B-1

EXHIBIT J-4

HOPEWELL TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(UNAUDITED)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax Levy	$ 3,644,311	$ 3,591,342	$ 3,655,805	$ 3,692,895	$ 3,766,381	$ 3,715,389	$ 3,837,474	$ 3,956,389	$ 3,980,902	$ 4,046,494
Tuition	159,165	69,689	58,630	53,895	73,491	88,896	151,188	34,534	20,875	25,795
Child Study Team										
Interest Earnings	5,688	3,225	2,990	2,882	2,540	2,031	1,383	3,725	63,569	64,473
Miscellaneous	119,356	86,615	90,208	92,284	130,582	298,606	418,470	194,017	226,887	189,955
State Sources	4,421,253	4,501,894	4,658,791	5,070,136	5,075,998	5,470,202	6,065,361	6,567,702	7,162,868	8,697,934
Federal Sources	337,167	245,242	345,619	291,387	322,661	410,315	563,527	955,670	921,149	333,910
Total Revenues	8,686,940	8,498,007	8,812,043	9,203,479	9,371,653	9,985,439	11,037,403	11,712,037	12,376,250	13,358,561
Expenditures										
Instruction										
Regular Instruction	2,436,269	2,432,329	2,494,417	2,303,931	2,526,854	2,444,717	2,493,009	3,435,404	3,474,321	3,209,166
Special Education Instruction	569,245	685,920	632,348	665,009	642,289	693,793	612,625	743,988	529,616	691,670
Other Special Instruction	18,204	14,878	26,325	23,596	49,647	50,771	44,246	16,792	34,873	341,844
Other Instruction	94,302	91,260	92,701	102,555	78,975	39,069	42,936	27,648	18,400	40,138
Support Services										
Tuition	183,681	92,058	55,085	98,227	22,582		102,721	54,823	54,164	95,538
Student and Instruction Related Services	675,603	732,990	774,359	752,579	836,167	892,611	751,958	1,089,112	1,348,230	1,408,814
School Administrative Services	126,336	109,877	103,271	103,697	137,992	150,647	225,114	214,687	190,152	202,145
General Administrative Services	134,870	145,237	158,730	182,205	178,713	250,860	157,413	182,741	186,038	182,237
Central Services & Info. Techn.	172,150	198,090	215,925	231,880	215,207	233,863	194,347	273,037	201,906	214,856
Plant Operations and Maintenance	717,031	689,526	764,091	747,658	747,455	738,138	870,949	839,051	665,879	830,178
Pupil Transportation	520,748	440,541	538,917	444,958	505,993	396,790	518,804	605,467	679,201	795,225
Business and Other Support Services										
Employee Benefits	930,499	1,009,260	1,061,032	976,137	1,067,795	1,065,892	1,113,776	3,574,610	4,033,978	4,041,343
Summer School										
On-behalf TPAF Pension & Social Security	875,870	975,161	1,114,434	1,267,387	1,257,949	1,506,954	1,992,898			
Transfer to Charter Schools			887		17,438	53,022	96,107			
Capital Outlay	22,451	40,691	97,112	146,409	110,115	165,345	222,317	393,969	61,051	424,557
Special Revenue Funds	311,376	217,420	326,933	542,431	525,211	766,149	986,399			
Capital Projects	136,149	275,780	177,416	335,318	947,706					
Debt Service										
Principal	331,000	355,000	235,000	245,000	250,000	275,000	280,000	285,000	241,000	241,000
Interest and Other Charges	101,559	88,343	75,055	66,243	74,313	64,700	54,575	26,941	5,182	5,182
Total Expenditures	8,357,343	8,594,361	8,944,038	9,235,220	10,192,401	9,788,321	10,760,194	11,763,270	11,723,991	12,723,893
Excess (Deficiency) of Revenues Over (Under) Expenditures	329,597	(186,354)	(131,995)	(32,287)	(820,748)	197,118	277,209	(51,233)	632,765	634,668
Other Financing Sources (Uses)										
Transfers, Net						59,237		(69,132)	(54,774)	(76,172)
Total Other Financing Sources (Uses)						59,237		(69,132)	(54,774)	(76,172)
Net Change in Fund Balances	$ 329,597	$ (186,354)	$ (131,995)	$ (32,287)	$ (820,748)	$ 256,355	$ 277,209	$ (120,365)	$ 577,991	$ 558,496
Debt Service as a Percentage of Noncapital Expenditures	5.6%	5.6%	3.7%	4.0%	3.7%	3.7%	3.3%	2.7%	2.1%	2.0%

Source: ACFR Schedule B-2

EXHIBIT J-5

HOPEWELL TOWNSHIP BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,

Description	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Tuition	$ 159,165	69,689	$ 58,630	$ 53,349	$ 73,491	$ 88,896	$ 151,188	$ 34,534	$ 20,875	$ 25,795
Interest income	5,688	3,225	2,990	2,882	2,540	2,031	1,383	3,725	63,569	64,473
E-Rate			13,424	11,113	12,124		19,980	22,714	19,980	39,960
SREC	101,694	75,135	54,054	52,937	76,817	81,805	83,145	68,147	76,136	71,788
Prior Year Refunds			1,149	1,174		63,304	19,324		36,135	2,284
Donation					5,400					
Health Insurance Dividend						63,708	191,108	14,422		
Miscellaneous	16,764	11,480	19,803	25,874	34,991	12,840	14,645	77,126	51,739	9,835
Totals	$ 283,311	$ 159,529	$ 150,050	$ 147,329	$ 205,363	$ 312,584	$ 480,773	$ 220,668	$ 268,434	$ 214,135

Source: District Records

EXHIBIT J-6
(1)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
BY CONSTITUENT DISTRICT - TOWNSHIP OF HOPEWELL
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year Ending June 30, 2025									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2025
Vacant Land	$ 4,027,100	$ 4,541,400	$ 4,507,200	$ 4,619,700	$ 4,561,500	$ 4,644,000	$ 4,680,700	$ 4,666,600	$ 4,549,500	$ 4,370,200
Residential	178,700,600	225,241,500	225,213,100	224,506,300	225,320,700	226,064,200	225,997,800	227,281,000	228,030,900	228,530,200
Farm	29,805,700	35,064,100	34,998,800	34,776,400	34,276,900	33,937,600	33,902,300	33,413,500	33,436,300	33,471,900
Q Farm	6,704,200	8,115,000	8,008,100	7,977,200	7,974,700	8,163,900	8,138,600	8,036,500	8,439,100	8,856,100
Commercial	26,172,400	32,781,800	34,169,900	30,247,120	30,474,600	33,069,300	33,069,300	33,411,500	32,642,200	33,018,600
Appartment	415,400	450,900	450,900	450,900	450,900	450,900	450,900	450,900	450,900	450,900
Total Assessed Value	$ 245,825,400	$ 306,194,700	$ 307,348,000	$ 302,577,620	$ 303,059,300	$ 306,329,900	$ 306,239,600	$ 307,260,000	$ 307,548,900	$ 308,697,900
Piublic Utilities	597,575	730,385	678,641	674,399	710,689	719,461	735,009	642,527	573,532	550,159
Net Valuation taxable	$ 246,422,975	$ 306,925,085	$ 308,026,641	$ 303,252,019	$ 303,769,989	$ 307,049,361	$ 306,974,609	$ 307,902,527	$ 308,122,432	$ 309,248,059
Estimated Actual County Equalized Value	$ 307,720,998	$ 316,232,394	$ 336,714,736	$ 336,684,822	$ 330,472,137	$ 330,373,747	$ 325,702,503	$ 378,212,703	$ 434,575,244	$ 454,502,208
Percentage of Net Valuation to Estiimated Actual Equalized Value	80.08%	97.06%	91.48%	90.07%	91.92%	92.94%	94.25%	81.41%	70.90%	68.04%
Total Direct School Tax Rate	$ 1.327	$ 1.094	$ 1.096	$ 1.127	$ 1.106	$ 1.143	$ 1.176	$ 1.184	$ 1.198	$ 1.218

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

* Estimate

EXHIBIT J-6
(2)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
BY CONSTITUENT DISTRICT - BOROUGH OF SHILOH
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year Ending June 30, 2024									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Vacant Land	$ 123,300	$ 123,300	$ 123,300	$ 123,300	$ 83,300	$ 62,200	$ 152,200	$ 62,200	$ 62,200	$ 62,200
Residential	27,677,700	27,595,000	27,576,200	27,576,200	27,410,600	27,022,500	27,253,800	27,963,900	27,811,100	27,937,900
Farm	2,701,200	2,701,200	2,681,200	2,681,200	2,681,200	2,681,200	2,684,400	2,684,400	2,684,400	2,682,900
Q Farm	422,900	422,900	421,900	421,900	423,100	453,800	448,400	448,800	465,000	465,000
Commercial	1,928,000	1,928,000	1,902,300	2,002,300	1,994,700	1,879,000	1,879,000	1,909,000	1,909,000	1,909,000
Total Assessed Value	$ 32,853,100	$ 32,770,400	$ 32,704,900	$ 32,804,900	$ 32,592,900	$ 32,098,700	$ 32,417,800	$ 33,068,300	$ 32,931,700	$ 33,057,000
Public Utilities	136,368	136,019	136,263	136,263	136,280	138,678	122,555	127,392	127,455	124,893
Net Valuation taxable	$ 32,989,468	$ 32,906,419	$ 32,841,163	$ 32,941,163	$ 32,729,180	$ 32,237,378	$ 32,540,355	$ 33,195,692	$ 33,059,155	$ 33,181,893
Estimated Actual County Equalized Value	$ 28,120,269	$ 30,515,550	$ 31,402,898	$ 32,147,290	$ 32,992,026	$ 33,788,260	$ 38,143,658	$ 38,640,220	$ 38,332,790	$ 39,260,095
Percentage of Net Valuation to Estimated Actual Equalized Value	117.32%	107.83%	104.58%	102.47%	99.20%	95.41%	85.31%	85.91%	86.24%	84.52%
Total Direct School Tax Rate	$ 0.977	$ 0.915	$ 0.970	$ 1.062	$ 1.095	$ 1.023	$ 1.066	$ 1.019	$ 1.077	$ 1.216

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

* Estimate

EXHIBIT J-6
(3)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
ALL CONSTITUENT DISTRICTS COMBINED
LAST TEN FISCAL YEARS
(UNAUDITED)

	Fiscal Year Ending June 30, 2024									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Vacant Land	$ 4,150,400	$ 4,664,700	$ 4,630,500	$ 4,743,000	$ 4,644,800	$ 4,706,200	$ 4,832,900	$ 4,728,800	$ 4,611,700	$ 4,432,400
Residential	206,378,300	252,836,500	252,789,300	252,082,500	252,731,300	253,086,700	253,251,600	255,244,900	255,842,000	256,468,100
Farm	32,506,900	37,765,300	37,680,000	37,457,600	36,958,100	36,618,800	36,586,700	36,097,900	36,120,700	36,154,800
Q Farm	7,127,100	8,537,900	8,430,000	8,399,100	8,397,800	8,617,700	8,587,000	8,485,300	8,904,100	9,321,100
Commercial	28,100,400	34,709,800	36,072,200	32,249,420	32,469,300	34,948,300	34,948,300	35,320,500	34,551,200	34,927,600
Appartment	415,400	450,900	450,900	450,900	450,900	450,900	450,900	450,900	450,900	450,900
Total Assessed Value	$ 278,678,500	$ 338,965,100	$ 340,052,900	$ 335,382,520	$ 335,652,200	$ 338,428,600	$ 338,657,400	$ 340,328,300	$ 340,480,600	$ 341,754,900
Piublic Utilities	733,943	866,404	814,904	810,662	846,969	858,139	857,564	769,919	700,987	675,052
Net Valuation taxable	$ 279,412,443	$ 339,831,504	$ 340,867,804	$ 336,193,182	$ 336,499,169	$ 339,286,739	$ 339,514,964	$ 341,098,219	$ 341,181,587	$ 342,429,952
Estimated Actual County Equalized Value	$ 335,841,267	$ 346,747,944	$ 368,117,634	$ 368,832,112	$ 363,464,163	$ 364,162,007	$ 363,846,161	$ 416,852,923	$ 472,908,034	$ 493,762,303
Percentage of Net Valuation to Estiimated Actual Equalized Value	83.20%	98.01%	92.60%	91.15%	92.58%	93.17%	93.31%	81.83%	72.15%	69.35%

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

* Estimate

EXHIBIT J-7
(1)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
BY CONSTITUENT DISTRICT - TOWNSHIP OF HOPEWELL
LAST TEN FISCAL YEARS

(Rate Per $100 of Assessed Value)
(UNAUDITED)

Year Ended June 30,	Hopewell Township Board of Education			Regional School Rate	Overlapping Rates		Total Direct & Overlapping Tax rate
	Basic Rate (a)	General Obligation Debt Service [b]	Total Direct		Municipality Township	Cumberland County	
2025	$ 1.184	$ 0.034	$ 1.218	$ 0.787	0.359	$ 1.329	$ 3.693
2024	1.153	0.045	1.198	0.759	0.409	1.276	3.642
2023	1.124	0.060	1.184	0.679	0.328	1.279	3.470
2022	1.127	0.049	1.176	0.565	0.318	1.245	3.304
2021	1.109	0.034	1.143	0.580	0.307	1.336	3.366
2020	1.044	0.062	1.106	0.645	0.297	1.354	3.402
2019	1.071	0.056	1.127	0.605	0.281	1.339	3.352
2018	1.033	0.063	1.096	0.604	0.258	1.282	3.240
2017	1.028	0.066	1.094	0.597	0.248	1.201	3.140
2016	1.202	0.125	1.327	0.698	0.302	1.408	3.735

* First Year of Revaluation.

Source: District Records and Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the District can submit for a general fund tax levy . The levy when added to other components of the District's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculation.

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.

EXHIBIT J-7
(2)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
BY CONSTITUENT DISTRICT - BOROUGH OF SHILOH
LAST TEN FISCAL YEARS

(Rate Per $100 of Assessed Value)
(UNAUDITED)

Year Ended June 30,	Hopewell Township Board of Education			Overlapping Rates			
	Basic Rate (a)	General Obligation Debt Service [b]	Total Direct	Regional School Rate	Municipality Township	Cumberland County	Total Direct & Overlapping Tax rate
2025	$ 1.182	$ 0.034	$ 1.216	$ 0.521	$ 0.336	$ 1.074	$ 3.147
2024	1.036	0.041	1.077	0.653	0.383	1.047	3.160
2023	0.967	0.052	1.019	0.576	0.325	1.216	3.136
2022	1.038	0.028	1.066	0.614	0.325	1.378	3.383
2021	1.009	0.014	1.023	0.538	0.325	1.301	3.187
2020	1.081	0.014	1.095	0.424	0.320	1.253	3.092
2019	1.055	0.007	1.062	0.283	0.320	1.177	2.842
2018	0.955	0.015	0.970	0.289	0.319	1.132	2.710
2017	0.901	0.014	0.915	0.363	0.318	1.080	2.676
2016	0.965	0.012	0.977	0.347	0.318	0.958	2.600

* First Year of Revaluation.

Source: District Records and Municipal Tax Collector

Note: NJSA 18A:7F-5d limits the amount that the District can submit for a general fund tax levy . The levy when added to other components of the District's net budget may not exceed the pre-budget year net budget by more than the spending growth limitation calculation.

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.

EXHIBIT J-8
(1)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS
BY CONSTITUENT DISTRICT - TOWNSHIP OF HOPEWELL
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2025		2016	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Cumberland Realty SNF LLC	$ 8,596,900	2.78%	$ 8,872,900	2.88%
Cumberland Mutual Fire Ins. Co.	6,377,400	2.06%	5,454,800	1.77%
Sunny Slope Farms of NJ	789,200	0.26%	1,758,300	0.57%
ACM Realty LLC	1,496,400	0.48%	1,218,000	0.40%
Blue Sterling Nursery LLC		0.00%	835,200	0.27%
Greater Bridgeton Amish Market, LLC	1,157,700	0.37%		0.00%
Taxpayer #1	707,700	0.23%	1,014,200	0.33%
Taxpayer #2	604,200	0.20%	777,100	0.25%
Cottages at Dutch Neck		0.00%	793,600	0.26%
RJA Holding South LLC	857,800	0.28%		
Rosypal		0.00%	799,200	0.26%
Bridgeton Shiloh Pike DG LLC	1,745,700	0.56%		
Green Olive Properties	1,311,800	0.42%	2,179,800	0.71%
Total	$ 23,644,800	7.65%	$ 23,703,100	7.70%

Source: District ACFR & Municipal Tax Assessor

EXHIBIT J-8
(2)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS
BY CONSTITUENT DISTRICT - BOROUGH OF SHILOH
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2025		2016	
Taxpayer	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Sarju Realty LLC	$ 495,200	1.49%	$ 495,200	1.50%
Clamar, LLC	483,900	1.46%	754,600	2.29%
Purple Dragon Holdings, LLC	407,100	1.23%		
Dewilde Farm Associates	385,000	1.16%	375,700	1.14%
Taxpayer #1	356,200	1.07%	617,600	1.88%
Taxpayer #2	341,200	1.03%	423,800	1.29%
Taxpayer #3	330,900	1.00%	356,200	1.08%
Taxpayer #4	289,800	0.87%	341,100	1.04%
Taxpayer #5	283,300	0.85%	289,800	0.88%
Taxpayer #6	281,200	0.85%	283,300	0.86%
Solavista LLC			422,800	1.28%
Total	$ 3,653,800	11.01%	$ 4,360,100	13.25%

Source: District ACFR & Municipal Tax Assessor

EXHIBIT J-9

HOPEWELL TOWNSHIP BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
BY CONSTITUENT DISTRICT
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Taxes Levied for the Year: Township of Hopewell	Taxes Levied for the Year: Borough of Shiloh	Collected Within the Fiscal Year of the Levy: Amount	Collected Within the Fiscal Year of the Levy: % of Levy	Collections in Subsequent Years
2025	$ 4,046,494	$	$ 4,046,494	100.00%	$
2024	3,642,651	338,251	3,980,902	100.00%	
2023	3,618,138	338,251	3,671,243	92.79%	
2022	3,507,730	329,744	3,828,783	99.77%	
2021	3,357,201	358,188	3,444,018	92.70%	
2020	3,416,669	349,712	3,766,381	100.00%	
2019	3,374,610	318,285	3,692,895	100.00%	
2018	3,354,764	301,041	3,655,805	100.00%	
2017	3,269,341	322,001	3,591,342	100.00%	
2016	3,367,862	276,449	3,644,311	100.00%	

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, the amount voted upon or certified prior to the end of the school year.

EXHIBIT J-10

HOPEWELL TOWNSHIP BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Percentage of Personal Income [a]	
	General Obligation Bonds [b]	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		Per Capita [a]
2025	$	$	$	$	$	0.00%	$
2024	241,000				241,000	0.25%	57
2023	491,000				491,000	0.25%	119
2022	776,000				776,000	0.37%	161
2021	1,056,000				1,056,000	0.49%	222
2020	1,331,000				1,331,000	0.67%	276
2019	1,581,000				1,581,000	0.86%	326
2018	1,826,000				1,826,000	0.98%	374
2017	2,061,000				2,061,000	1.13%	418
2016	2,416,000				2,416,000	1.34%	485

Source: District ACFR Schedules I-1, I-2

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

a See Exhibit NJ 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

EXHIBIT J-11

HOPEWELL TOWNSHIP BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2025	$		$	0.00%	
2024	241,000		241,000	0.63%	52
2023	491,000		491,000	1.27%	108
2022	776,000		776,000	0.23%	161
2021	1,056,000		1,056,000	0.31%	222
2020	1,331,000		1,331,000	0.40%	276
2019	1,581,000		1,581,000	0.47%	326
2018	1,826,000		1,826,000	0.54%	374
2017	2,061,000		2,061,000	0.61%	418
2016	2,416,000		2,416,000	0.86%	485

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

a See Exhibit NJ J-6 for property tax data.
b Population data can be found in Exhibit NJ J-14.

If a district has resources that are restricted to repaying the principal of debt outstanding, these amounts should be shown in a separate column "Deductions" and be subtracted from the total, and the schedule should be named ratios of net general bonded debt outstanding.

EXHIBIT J-12

HOPEWELL TOWNSHIP BOARD OF EDUCATION
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2025
(UNAUDITED)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [a]	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes			
Hopewell Township	$ 2,287,011	100%	$ 2,287,011
Borough of Shiloh			
Regional High School			
Hopewell Township	1,197,000	33.73%	403,777
Borough of Shiloh	1,197,000	3.38%	40,514
County General Obligation Debt			
County of Cumberland - Township share	84,929,400	3.59%	3,047,671
Subtotal, Overlapping Debt			5,778,973
Hopewell Township School District Direct Debt			
Total Direct and Overlapping Debt			$ 5,778,973

Source Hopewell Township and Shiloh Chief Financial Officers, along with the Cumberland Count Finance Office

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

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

EXHIBIT J-13

HOPEWELL TOWNSHIP BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2025

		Equalized Valuation Basis
	2024	$ 452,810,512
	2023	434,167,020
	2022	376,956,672
	[A]	$ 1,263,934,204
Average Equalized Valuation of Taxable Property	**[A/3]**	$ 421,311,401
Debt Limit (3% of Average Equalization Value)	**[B]**	$ 12,639,342 **a**
Net Bonded School Debt	**[C]**	
Legal Debt Margin	**[B-C]**	$ 12,639,342

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt Limit	$ 10,392,231	$ 10,243,938	$ 10,557,539	$ 10,934,814	$ 11,014,317	$ 10,956,317	$ 10,851,303	$ 10,280,557	$ 11,361,422	$ 12,639,342
Total Net Debt Applicable to Limit	2,416,000	2,061,000	1,826,000	1,581,000	1,331,000	1,056,000	776,000	491,000	241,000	
Legal Debt Margin	$ 5,684,170	$ 5,730,642	$ 6,047,432	$ 6,285,622	$ 6,766,324	$ 6,939,251	$ 4,399,354	$ 9,789,557	$ 11,120,422	$ 12,639,342
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	23.25%	20.12%	17.30%	14.46%	12.08%	9.64%	7.15%	4.78%	2.12%	0.00%

Source: Abstract of Ratables and District Records

a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

EXHIBIT J-14
(1)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
BY CONSTITUENT DISTRICT - TOWNSHIP OF HOPEWELL
LAST TEN FISCAL YEARS
(UNAUDITED)

Year		Population [a]	Personal Income (thousands of dollars) [b]	Per Capita Personal Income [c (1)]	Unemployment Rate [d]
2025	*	4,456	$ 220,441,889	$ 49,466	4.8%
2024		4,452	220,001,666	49,416	4.7%
2023		4,353	214,894,551	49,367	4.7%
2022		4,344	207,708,360	47,815	3.8%
2021		4,385	212,176,995	48,387	6.3%
2020		4,280	187,665,160	43,847	7.5%
2019		4,341	173,857,050	40,050	3.7%
2018		4,360	164,808,000	37,800	4.2%
2017		4,384	161,940,576	36,939	4.4%
2016		4,429	158,363,324	35,756	5.6%

* Estimate
(1) Information for Cumberland County

Source:

[a] Population information provided by the NJ Dept of Labor and Workforce Development
[b] Personal income
[c] Per Capita
[d] Unemployment data provided by the NJ Dept of Labor and Workforce Development
N/A - Not Available at time of Audit

EXHIBIT J-14
(2)

HOPEWELL TOWNSHIP BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
BY CONSTITUENT DISTRICT - BOROUGH OF SHILOH
LAST TEN FISCAL YEARS
(UNAUDITED)

Year		Population [a]	Personal Income (thousands of dollars) [b]	Per Capita Personal Income [c (1)]	Unemployment Rate [d]
2025	*	458	$ 22,137,405	$ 48,385	5.3%
2024		453	22,139,618	48,873	5.4%
2023		443	21,869,581	49,367	5.8%
2022		439	20,990,785	47,815	5.0%
2021		445	21,532,215	48,387	8.6%
2020		485	21,265,795	43,847	8.5%
2019		489	19,584,450	40,050	5.6%
2018		493	18,635,400	37,800	7.0%
2017		495	18,284,805	36,939	5.7%
2016		500	17,878,000	35,756	6.1%

* Estimate
(1) Information for Cumberland County

Source:

[a] Population information provided by the NJ Dept of Labor and Workforce Development
[b] Personal income
[c] Per Capita
[d] Unemployment data provided by the NJ Dept of Labor and Workforce Development
N/A - Not Available at time of Audit

EXHIBIT J-15

HOPEWELL TOWNSHIP BOARD OF EDUCATION
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)

	2025		2016	
Employer	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
Inspira Health Network	3,874	2.49%	2,894	1.89%
F & S Produce/Pipcp Transportation	1,201	0.77%	600	0.39%
Wal-Mart	791	0.51%	910	0.59%
Wawa	777	0.50%	552	0.36%
Durand Glass Manufacturing Co./ARC Interr	580	0.37%	1,000	0.65%
ShopRite	751	0.48%	767	0.50%
Sheppard Bus Service	575	0.37%	650	0.42%
Elwyn New Jersey	236	0.15%	448	0.29%
AJM Packaging	481	0.31%		
Northeast Precasg	436	0.28%		
Ardagh Group	366	0.24%		
Seabrook Brothers & Sons, Inc	271	0.17%	575	0.38%
Complete Care	305	0.20%		
South State, Inc	345	0.22%		
Corning Glass	245	0.16%		
Nipro PharmaPackaging Americas Corp	274	0.18%		
Gerresheimer Glass	174	0.11%		
Americold	300	0.19%		
Omni Baking			500	0.33%
	11,982	7.70%	8,896	5.81%

Source:

This information is for the County of Cumberland.

EXHIBIT J-16

HOPEWELL TOWNSHIP BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Instruction										
Regular	30	30.0	29.0	29.0	30.0	30.0	30.0	31.0	38.5	42.0
Special Education	7	7.5	6.5	6.5	7.0	7.5	7.5	8.0	7.5	8.0
Other Special Education	12	12.0	13.5	14.0	13.5	14.0	14.0	14.0	11.0	11.0
Other Instruction	7	4.0	4.0	4.0	4.0	4.0	6.0	6.0	5.0	5.0
Support Services:										
Student & Instruction Related Services	6	7.0	5.0	5.0	5.0	5.0	5.0	5.0	4.0	4.0
General Administrative Services	3	2.0	2.5	2.5	2.5	2.5	2.5	3.0	3.0	3.0
School Administrative Services	3	3.5	3.5	3.5	3.5	3.5	3.5	3.5	4.0	4.0
Plant Operations and Maintenance	3	2.0	2.0	2.0	3.5	3.5	4.0	4.0	4.0	4.0
Total	69.5	68.0	66.0	66.5	69.0	70.0	72.5	74.5	77.0	81.0

Source: District Personnel Records

EXHIBIT J-17

HOPEWELL TOWNSHIP BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Enrollment	Operating Expenditures	Cost Per Pupil	Percentage Change	Teaching Staff [b]	Pupil/ Teacher Ratio Elementary	Average Daily Enrollment (ADE) [c]	Average Daily Attendance (ADA) [c]	% Change in Average Daily Enrollment	Student Attendance Percentage
2025	522	$ 12,053,154	$ 23,090	37.0%	50.0	11.50:1	520.0	492.5	0.96%	94.71%
2024	513	11,416,758	16,850	15.6%	46.0	11.51:1	515.0	481.6	1.55%	93.51%
2023	499	11,057,360	14,573	4.1%	44.0	11.07: 1	507.0	471.0	3.27%	92.90%
2022	498	10,203,302	14,004	-25.3%	45.0	11.07: 1	490.4	458.1	0.43%	93.41%
2021	495	9,283,276	18,754	5.2%	42.0	11.79: 1	488.3	432.2	-2.44%	88.51%
2020	494	8,810,267	17,835	2.7%	41.0	12.05 : 1	500.5	480.3	-0.26%	95.96%
2019	486	8,442,250	17,371	-0.5%	41.0	11.85 : 1	501.8	476.3	4.91%	94.92%
2018	479	8,359,455	17,452	7.5%	40.5	11.83 : 1	478.3	448.5	-1.22%	93.77%
2017	488	7,924,547	16,239	3.92%	41.5	11.76 : 1	484.2	458.0	-2.00%	94.59%
2016	497	7,766,184	15,626	5.28%	44.5	11.43 : 1	494.1	468.3	0.84%	94.78%

Sources: District records, ASSA

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4
b Teaching staff includes only full-time equivalents of certificated staff.
c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

EXHIBIT J-18

HOPEWELL TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

District Building	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Elementary										
Hopewell Township Elementary School: 1958										
Square Feet	83,475	83,475	83,475	83,475	83,475	83,475	83,475	83,475	83,475	83,475
Capacity (students)	709	709	709	709	709	709	709	709	709	709
Enrollment	497	488	479	486	494	495	484	499	513	522

Number of Schools at June 30, 2025
- Elementary 1
- Middle
- High School
- Other

Source: District records, ASSA

Note: Enrollment is based on the October 15 District Count

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of renovations and additions. any additions.

EXHIBIT J-19

HOPEWELL TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES
LAST TEN FISCAL YEARS
(UNAUDITED)

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

School Facilities	Gross Square Footage	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Hopewell Township Elementary School	83,745	$ 145,215	$ 113,663	$ 217,466	$ 188,177	$ 151,959	$ 154,013	$ 155,207	$ 155,886	$ 112,592	$ 123,393
Total School Facilities		145,215	113,663	217,466	188,177	151,959	154,013	155,207	155,886	112,592	123,393
Other Facilities											
Grand Total		$ 145,215	$ 113,663	$ 217,466	$ 188,177	$ 151,959	$ 154,013	$ 155,207	$ 155,886	$ 112,592	$ 123,393

EXHIBIT J-20

HOPEWELL TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(UNAUDITED)

Company	Type of Coverage	Coverage	Deductible
Republic Franklin Insurance Co.	Blanket Building & Contents	$ 30,002,728	5,000
	Utility Services - Time Element	500,000	
	Valuable Papers and Records	100,000	500
	Fire Department Service Charge	5,000	
	Lock Replacement (per occurrence)	25,000	
	Fire Protection Device Recharge	1,000	
	Underground pipes, flues and drains (per occurrence)	10,000	
	Tree Debris Removal	5,000	1,000
	Personal Effects and Property of Others (2,500 limit pp	10,000	
	Outdoor Property (per occurrence) $10,000 limit/fences	25,000	
	Property in or on a vehicle	10,000	500
	Property in transit	100,000	
	Debris Removal (per occurrence)	250,000	
	Utility Services - Direct Damage	50,000	
	Pollutant Cleanup and Removal	90,000	
	Spoilage (per occurrence)	25,000	500
	All Flood Zones	1,015,000	25,000
	Earthquake	1,000,000	25,000
	Hardware	244,944	250
	Fire Legal Liability	1,000,000	
	Public Employee Dishonesty with Faithful Performance	100,000	500
	Signs (per location)	30,000	500
	Accounts Receivable	50,000	
	Fine Arts ($2,500 per one item)	15,000	500
	Musical Instruments & equipment	500,000	500
	Forgery or Alteration	100,000	500
	Computer Fraud	100,000	500
	Electronic Data Processing Hardware	100,000	500
	Data & Media (per building limit)	10,000	500
	Electronic Data Processing Extra Expense	10,000	
	Products and Completed Operations	3,000,000	
	Sexual Abuse	1,000,000	
	Personal Injury and Advertising Injury	1,000,000	
	Employee Benefits Liability	1,000,000	1,000
	Premises Medical Payments	10,000	
	Hired/Non-owned Auto Liability	1,000,000	
	Hired Car Physical Damage	ACV or Repair Cost	100
Selective Insurance Company of America	Public Official Bond - Business Administrator/Board Secretary	10,000	
	Treasurer	200,000	
N.J. School Boards Insurance Group	Workers' Compensation	3,000,000	
Berkley Life and Health Insurance	Student Accident	1,000,000	

* Blanket Bond Positions are excluded

SINGLE AUDIT SECTION

NIGHTLINGER, COLAVITA & VOLPA

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

The Honorable President and
Members of the Board of Education
Hopewell Township School District
County of Cumberland, New Jersey 08032

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, and each major fund of the Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Board of Education of the Hopewell Township School District's basic financial statements, and have issued our report thereon dated November 25, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Hopewell Township Board of Education'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 Hopewell Township Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Hopewell Township Board of Education's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Hopewell Township Board of Education's financial statements are free of 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 instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
November 25, 2025

NIGHTLINGER, COLAVITA & VOLPA

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

The Honorable President and
Members of the Board of Education
Hopewell Township School District
County of Cumberland, New Jersey 08032

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

We have audited The Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement and the New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of The Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey's major federal and state programs for the year ended June 30, 2025. The Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey'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 Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey 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; and 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 as prescribed by the Office of School Finance, *Department of Education, State of New Jersey,* and New Jersey OMB 15-08. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of The Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey 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 Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey'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 Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey'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 Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey'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*, Uniform Guidance and New Jersey OMB 15-08 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 Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, Uniform Guidance and New Jersey OMB 15-08, 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 Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey'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 Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey'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 New Jersey OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of The Board of Education of the Hopewell Township School District, in the County of Cumberland, State of New Jersey's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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 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 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.

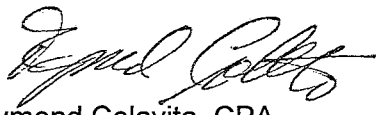
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

Respectfully submitted,

NIGHTLINGER, COLAVITA & VOLPA, PA



Raymond Colavita, CPA
Licensed Public School Accountant
No. 915
November 25, 2025

Exhibit K-3

TOWNSHIP OF HOPEWELL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Schedule A
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2024	Cash Received	Budgetary Expenditures Pass Through Funds	Budgetary Expenditures Direct	Total Budgetary Expenditures (A)	Balance at June 30, 2025 Accounts Receivable	Balance at June 30, 2025 Unearned Revenue	Balance at June 30, 2025 Due to Grantor
U.S. Department of Health and Human Services														
General Fund														
Medical Assistance Program (SEMI)	93.778	2005NJMAP	N/A	$ 10,360	7/1/24	6/30/25	$	$ 10,360	$ (10,360)	$	$ (10,360)	$	$	$
								10,360	(10,360)		(10,360)			
U.S. Department of Agriculture														
Passed-through State Department of Education:														
Enterprise Fund:														
Non-Cash Assistance:														
U.S.D.A. Food Distribution Program	10.565	Unknown	N/A	$22,466	7/1/23	6/30/24	81		(81)		(81)			
U.S.D.A. Food Distribution Program	10.565	Unknown	N/A	23,414	7/1/24	6/30/25		23,414	(20,164)		(20,164)		3,250	
Child Nutrition Cluster:														
School Breakfast Program	10.553	241NJ304N1099	N/A	61,241	7/1/23	6/30/24	(3,719)	3,719						
School Breakfast Program	10.553	251NJ304N1099	N/A	61,991	7/1/24	6/30/25		61,991	(61,991)		(61,991)			
National School Lunch Program	10.555	241NJ304N1099	N/A	119,253	7/1/23	6/30/24	(4,381)	4,381						
National School Lunch Program	10.555	251NJ304N1099	N/A	148,100	7/1/24	6/30/25		148,100	(148,100)		(148,100)			
Summer-EBT Administrative Cost	10.649	202324N180341	N/A	322	7/1/23	6/30/24	(322)	322						
Summer-EBT Administrative Cost	10.649	202324N180341	N/A	301	7/1/24	6/30/25			(301)		(301)	(301)		
Total U.S. Department of Agriculture							(8,341)	241,927	(230,637)		(230,637)	(301)	3,250	
U.S. Department of Education														
Passed-through State Department of Education:														
Special Revenue Fund:														
IDEA Cluster:														
I.D.E.A. Part B Basic	84.027A	H027A240100	IDEA2270-24	137,798	7/1/23	9/30/24	(27,961)	27,961						
I.D.E.A. Part B Basic	84.027A	H027A250100	IDEA2270-25	140,347	7/1/24	9/30/25		129,566	(140,347)		(140,347)	(10,781)		
I.D.E.A. Part B, Pre-school	84.173	H173A250114	IDEA2270-23	2,142	7/1/24	9/30/25			(2,142)		(2,142)	(2,142)		
E.S.E.A:														
Title I	84.010	S010A240030	ESEA2270-25	142,237	7/1/23	9/30/24	(31,407)	31,407						
Title I	84.010	S010A250030	ESEA2270-25	123,660	7/1/24	9/30/25		67,500	(123,660)		(123,660)	(56,160)		
Title II A	84.367A	S367A240029	ESEA2270-24	31,819	7/1/23	9/30/24	(31,819)	31,819						
Title II A	84.367A	S367A250029	ESEA2270-25	14,419	7/1/24	9/30/25		8,169	(14,419)		(14,419)	(6,250)		
Title IV	84.424A	S424A240031	ESEA2270-24	10,000	7/1/23	9/30/24	(10,000)	10,000						
Title IV	84.424A	S424A250031	ESEA2270-25	10,000	7/1/24	9/30/25		2,054	(8,397)		(8,397)	(6,343)		
Education Stabilization Fund:														
CARES ACT 2020/ESSER	84.425D	S425D220027	CARES 2270-20	5,789	3/13/20	9/30/22								
CRRSA Consolidated:														
ARP Consolidated:														
ARP ESSER III	84.425U	S425U240027	ARP 2270-24	857,367	3/13/20	9/30/24	(246,720)	256,600	(9,880)		(9,880)			
Accelerated Learning	84.425U	S425U240027	ARP 2270-24	50,000	3/13/20	9/30/24	(45,000)	45,000						
Summer Learning	84.425U	S425U240027	ARP 2270-24	40,000	3/13/20	9/30/24	(2,754)	11,344	(8,590)		(8,590)			
Beyond the School Day	84.425U	S425U240027	ARP 2270-24	40,000	3/13/20	9/30/24	(11,325)	16,002	(4,677)		(4,677)			
NJTSS Mental Health Staffing	84.425U	S425U240027	ARP 2270-24	45,000	3/13/20	9/30/24	(14,225)	20,602	(6,377)		(6,377)			
REAP	84.358A	S358B220030	REAP227022	32,556	7/1/21	6/30/22	(11,582)					(11,582)		
REAP	84.358A	S358A232596	REAP247022	10,881	7/1/24	9/30/25		10,881	(10,881)		(10,881)			
Total U.S. Department of Education							(432,793)	668,905	(329,370)		(329,370)	(93,258)		
Total Federal Financial Awards							$ (441,134)	$ 921,192	$ (570,367)	$	$ (570,367)	$ (93,559)	$ 3,250	$

(A) There were no awards passed through to subrecipients.

See accompanying notes to schedules of financial assistance
These funds were audited in accordance with the Uniform Guidance since the total of all grant expenditures exceeded $750,000.

Exhibit K-4

TOWNSHIP OF HOPEWELL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE - Schedule B
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2024 (Accounts Receivable)	Balance at June 30, 2024 Unearned Revenue	Carry-over	Cash Received	Budgetary Expenditures	Adjustment	Balance at June 30, 2025 (Accounts Receivable)	Balance at June 30, 2025 Unearned Revenue/ Interfund Payable	MEMO Budgetary Receivable	MEMO Cumulative Total Expenditures
State Department of Education:														
General Fund:														
Equalization Aid	24-495-034-5120-078	3,084,694	7/1/23	6/30/24	$	$	$	$	$	$	$	$	$	
Equalization Aid	25-495-034-5120-078	4,167,936	7/1/24	6/30/25				3,762,323	(4,167,936)		(405,613)	*	(405,613)	(4,167,936)
Special Education Categorical Aid	24-495-034-5120-089	327,174	7/1/23	6/30/24	(31,681)			31,681						
Special Education Categorical Aid	25-495-034-5120-089	483,912	7/1/24	6/30/25				436,819	(483,912)		(47,093)	*	(47,093)	(483,912)
Transportation Aid	24-495-034-5120-014	197,184	7/1/23	6/30/24	(19,094)			19,094						
Transportation Aid	25-495-034-5120-014	197,184	7/1/24	6/30/25				177,995	(197,184)		(19,189)	*	(19,189)	(197,184)
Security Aid	24-495-034-5120-084	89,617	7/1/23	6/30/24	(8,678)			8,678						
Security Aid	25-495-034-5120-084	95,815	7/1/24	6/30/25				86,491	(95,815)		(9,324)	*	(9,324)	(95,815)
Adjustment Aid	24-495-034-5120-085	165,311	7/1/23	6/30/24	(16,008)			16,008						
Adjustment Aid	25-495-034-5120-085	165,311	7/1/24	6/30/25				149,223	(165,311)		(16,088)	*	(16,088)	(165,311)
Extraordinary Aid	24-495-034-5120-044	21,081	7/1/23	6/30/24	(21,081)			21,081						
Extraordinary Aid	25-495-034-5120-044	32,039	7/1/24	6/30/25					(32,039)		(32,039)	*		(32,039)
Non Public Transportation	24-495-034-5120-014	6,825	7/1/23	6/30/24	(6,825)			6,825						
Non Public Transportation	25-495-034-5120-014	7,005	7/1/24	6/30/25					(7,005)		(7,005)	*		(7,005)
Reimbursed TPAF Social Security Contrib	24-495-034-5094-003	306,199	7/1/23	6/30/24	(29,508)			29,508						
Reimbursed TPAF Social Security Contrib	25-495-034-5094-003	305,201	7/1/24	6/30/25				275,274	(305,201)		(29,927)	*		(305,201)
On-Behalf TPAF Pension Contribution	25-495-034-5094-002	1,421,371	7/1/24	6/30/25				1,421,371	(1,421,371)			*		(1,421,371)
On-Behalf TPAF Post Retirement Medical	25-495-034-5094-001	415,326	7/1/24	6/30/25				415,326	(415,326)			*		(415,326)
On-behalf TPAF Long-term Disability Contrib.	25-495-034-5094-004	610	7/1/24	6/30/25				610	(610)			*		(610)
Total General Fund					(132,875)			6,858,307	(7,291,710)		(566,278)		(497,307)	(7,291,710)
Special Revenue Fund:														
Preschool Education Aid	24-495-034-5120-086	1,081,465	7/1/23	6/30/24	(102,529)	$ 179,609	$ (179,609)	102,529						
Preschool Education Aid	25-495-034-5120-086	1,337,490	7/1/24	6/30/25			179,609	1,212,658	(1,525,472)	8,373	(124,832)	$ *	(124,832)	(1,525,472)
Total Special Revenue Fund					(102,529)	179,609		1,315,187	(1,525,472)	8,373	(124,832)		(124,832)	(1,525,472)
Debt Service Fund:														
Debt Service Aid-Type II	25-495-034-5120-017	106,992	7/1/24	6/30/25				106,992	(106,992)			*		(106,992)
State Department of Agriculture:														
Enterprise Fund:														
State School Breakfast Prog.	24-100-010-3350-023	3,547	7/1/23	6/30/24	(217)			217						
State School Breakfast Prog.	25-100-010-3350-023	7,995	7/1/24	6/30/25				7,995	(7,995)			*		(7,995)
State School Lunch Prog.	24-100-010-3350-023	5,078	7/1/23	6/30/24	(165)			165						
State School Lunch Prog.	25-100-010-3350-023	14,956	7/1/24	6/30/25				14,956	(14,956)			*		(14,956)
Summer-EBT Administrative Cost	N/A	321	7/1/23	6/30/24	(321)			321						
Summer-EBT Administrative Cost	N/A	301	7/1/24	6/30/25					(301)		(301)	*		(301)
Total Enterprise Fund					(703)			23,654	(23,252)		(301)			(23,252)
Total State Financial Assistance					$ (236,107)	$ 179,609	$	$ 8,304,140	$ (8,947,426)	$ 8,373	$ (691,411)	$	$ (622,139)	$ (8,947,426)
Less: On-Behalf TPAF Pension System Contributions														
On-Behalf TPAF Pension Contribution	25-495-034-5094-002	1,421,371	7/1/24	6/30/25				$ 1,421,371	$ (1,421,371)					
On-Behalf TPAF Post Retirement Medical	25-495-034-5094-001	415,326	7/1/24	6/30/25				415,326	(415,326)					
On-behalf TPAF Long-term Disability Contrib.	25-495-034-5094-004	610	7/1/24	6/30/25				610	(610)					
Total State Financial Assistance - Major Program Determination								$ 6,466,833	$ (7,110,119)					

See accompanying notes to schedules of financial assistance

EXHIBIT K-5

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2025

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Township of Hopewell School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedules 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 exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 2 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements 2 CFR 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and New Jersey OMB 15-08. 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 allowed under 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 schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $(123,144) for the general fund and ($19,750) for the special revenue fund. See Note 2 (Notes to Required Supplemental Information) for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

EXHIBIT K-5

HOPEWELL TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2025
(Continued)

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

	Federal	State	Total
General Fund	$ 10,360	$ 7,168,566	$ 7,178,926
Special Revenue Fund	323,550	1,422,376	1,745,926
Debt Service		106,992	106,992
Food Service Fund	230,637	23,252	253,889
Total Awards & Financial Assistance	$ 564,547	$ 8,721,186	$ 9,285,733

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: FEDERAL AND STATE LOANS OUTSTANDING

The Township of Hopewell had no outstanding loans as of June 30, 2025.

NOTE 6: OTHER

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

NOTE 7: SCHOOLWIDE PROGRAM FUNDS

As the District's Federal Programs are on a targeted student group basis, there are no schoolwide programs in the District.

NOTE 8: ADJUSTMENTS

There were no adjustments totaling noted on Schedule A, Exhibit K-3, Schedule of Federal Awards and one adjustment of $8,373 noted on Schedule K-4, Schedule of State Financial Assistance.

EXHIBIT K-6

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

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weakness (es) identified? _____ yes ___X___ no

2) Significant deficiencies identified? _____ yes ___X___ none reported

Noncompliance material to basic financial statements noted? _____ yes ___X___ no

Federal Awards

Internal control over major programs:

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

2) Significant deficiencies identified? _____ yes _____ none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a)? _____ yes _____ no

Identification of major programs:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
N/A		

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

Auditee qualified as low-risk auditee? ___X___ yes _____ no

EXHIBIT K-6

HOPEWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(continued)

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

State Awards

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

Auditee qualified as low-risk auditee? X yes ____ no

Internal control over major programs:

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

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

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

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

Identification of major programs:

GMIS Number(s)	Name of State Program
25-495-034-5120-078	Equalization Aid
25-495-034-5120-089	Special Education Categorical Aid
25-495-034-5120-084	Security Aid
25-495-034-5120-085	Adjustment Aid
25-495-034-5120-086	Preschool Education Aid

EXHIBIT K-6

HOPEWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED CO4TS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(continued)

Section II - Financial Statement Findings

This section identifies the significant deficiencies, material weakness, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which Government Auditing Standards requires reporting and with audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey that requires reporting in the Uniform Guidance, New Jersey OMB Treasury Circular 15-08 audit.

Criteria or specific requirement: **NONE**

Condition:

Context:

Effect:

Cause:

Recommendation:

Management's response:

EXHIBIT K-6

HOPEWELL TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025
(continued)

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

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards* and NJOMB Circular Letter 15-08, as applicable.

FEDERAL AWARDS

Finding: **None**
Information on the federal program:
Criteria or specific requirement:
Condition:
Questioned Costs: None
Context:
Effect:
Cause:
Recommendation:
Management's response:

STATE AWARDS

Finding: **None**
Information on the state program:
Criteria or specific requirement:
Condition:
Questioned Costs: None
Context:
Effect:
Cause:
Recommendation:
Management's response:

EXHIBIT K-7

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

This section identifies the status of prior - year findings related to the basic financial statements and Federal and State awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, US OMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* section .511(a) (b) and New Jersey OMB's Treasury Circular 15-08, as applicable.

STATUS OF PRIOR - YEAR FINDINGS

There were no prior year findings.