

MARLBORO TOWNSHIP SCHOOL DISTRICT

Marlboro, New Jersey
County of Monmouth

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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
OF THE
MARLBORO TOWNSHIP SCHOOL DISTRICT
MARLBORO, NEW JERSEY**

FOR THE FISCAL YEAR ENDED YEAR ENDED JUNE 30, 2025

**Prepared by Marlboro Township School District
Business Office
Mr. Vincent Caravello**

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INTRODUCTORY SECTION

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January 15, 2026

Honorable President and
Members of the Board of Education
Marlboro Township School District
Marlboro, New Jersey

Dear Board Members/Citizens:

It is with pleasure that we submit the Annual Comprehensive Financial Report (ACFR) of the Marlboro Township School District for the fiscal year ended June 30, 2025. This ACFR includes the district's basic financial statements prepared in accordance with generally accepted accounting principles for local governments. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the district. To the best of our knowledge and belief, 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 district. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities, including the Management's Discussion and Analysis, have been included.

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

- The Introductory Section contains a Letter of Transmittal, Certificate of Excellence in Financial Reporting (ASBO), Roster of Officials, List of Consultants, Independent Auditors and Advisors, and an Organizational Chart of the School District;
- The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the district's financial position and operating results, and other schedules providing detailed budgetary information;
- The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the school district, 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 U.S. Code of Federal Regulations Part 200, "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)" and the New Jersey State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid." Information related to this Single Audit, including the independent auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the Single Audit Section of this report.

SCHOOL DISTRICT ORGANIZATION

The Marlboro Township School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14 as amended by GASB Statement No. 39. The Marlboro Township Board of Education and its eight schools constitute the district's reporting entity.

The district continues to maintain a high quality of education and is one of the largest K-8 districts in New Jersey. The district provides a full range of programs and services appropriate to grades Pre-K through 8. These include regular education, programs for the very able students (gifted and talented), as well as those for students with disabilities both in and out-of-district. An early learning center, five elementary schools and two middle schools comprise the district's instructional facilities.

Supervising district-wide goals is a district superintendent, a school business administrator/board secretary, an assistant superintendent, two district-wide curriculum supervisors, a director of special services, and a supervisor of special services. The David C. Abbott Early Learning Center has its own principal. Each of the five elementary schools has a principal and vice principal. The Marlboro Middle School and the Marlboro Memorial Middle School each have one principal and two vice principals.

The Board of Education, composed of nine members, each elected to three-year terms, meets on the fourth Tuesday of each month for the regular monthly meeting and at one or two other times per month for workshop meetings. During its meetings and workshops the board determines district goals and priorities and conducts other business. Board meetings are open to the public and begin at 7:00 PM. All public portions of the regular and workshop meetings of the Marlboro Township Board of Education are streamed live and then posted on the district's website. This has enabled Board meetings to be more accessible to those who cannot be physically present due to family, business or personal reasons, but who nevertheless wish to watch the Board deliberations and find out what is happening in the Marlboro Township Public School District (K-8).

PTAs/PTOs are highly active in the district and provide community support for a variety of programs and activities for the children.

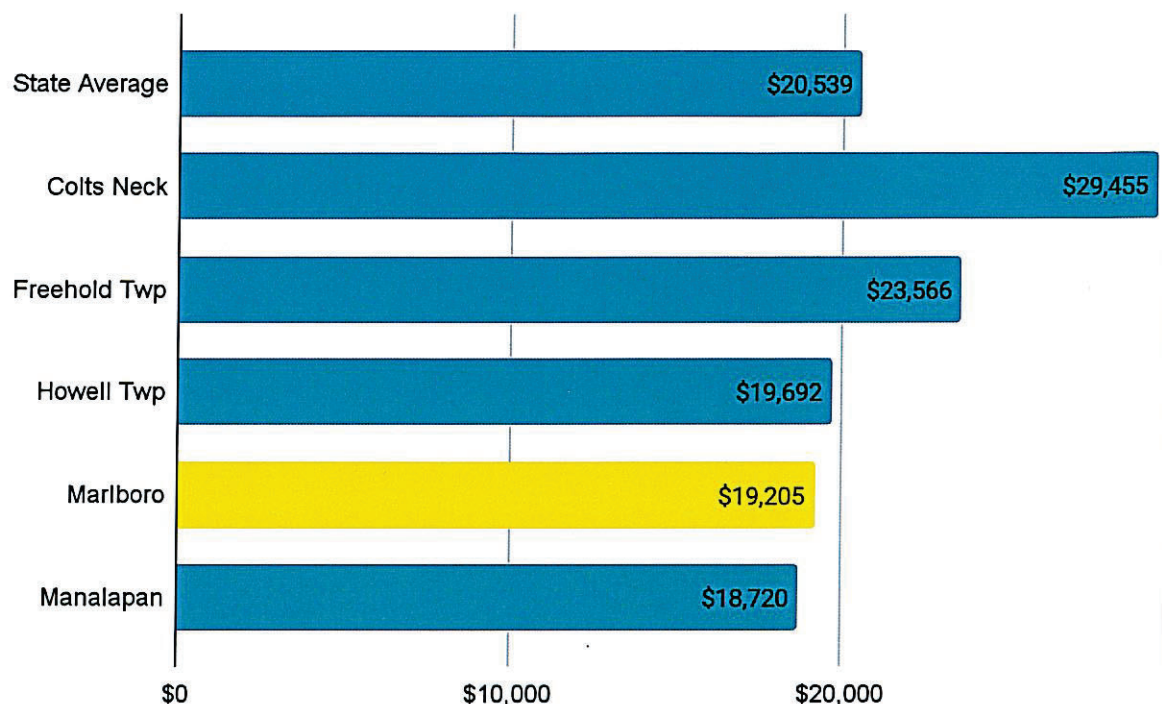
To maintain effective communications, the district uses several options to ensure a consistent flow of information to our stakeholders. During the budget review process, information about the budget is presented at board meetings and posted on the district website. Additional communication tools utilized by the district include a district website and other social media that is updated regularly with important information for parents, such as school closures, delayed openings, medical/health alerts, new curriculum initiatives, new board projects, and more. The district also communicates with parents via School Messenger, a system that provides both phone and email contact options. The ability to contact the entire parent population within 20 minutes about changes in the school day, i.e. early closure, or to be able to update them in an emergency situation, is a vital component in ensuring that our communication efforts are timely, accurate, and effective. .

EDUCATIONAL PROGRAM

Each district school follows district-wide goals and educational approaches to the teaching of children, while maintaining a unique personality. All curricula in our district have been aligned to the New Jersey Core Curriculum Content Standards and Common Core State Standards.

In 2025, the New Jersey Department of Education released its Taxpayers' Guide to Education Spending (formerly the Comparative Spending Guide) for all school districts in the state. The guide compares districts with those similar in enrollment/configurations. The information on expenditures was taken from certified budgets on file with the State Department of Education. This report shows that the district spends \$19,205 per pupil while the average cost for similar districts is \$20,539. According to the report, per pupil costs range from a low of \$15,223 to a high of \$29,455 for districts of this type. Of the 73 other K-8 schools districts in the state with enrollments exceeding 751 children, Marlboro ranks 23rd lowest in total cost per pupil.

2025 BUDGETARY COST PER PUPIL - TAXPAYERS' GUIDE TO EDUCATION SPENDING



Pre-K and Kindergarten

David C. Abbott Early Learning Center - an early learning center for preschool handicapped and kindergarten of 268 students. There is one administrator and a staff of 77 teachers and instructional assistants. The school is located on Tennent Road in the Morganville section of Marlboro.

The Abbott Center provides a strong educational foundation for the district's youngest students, with a curriculum based on Howard Gardner's seven intelligences - one that has and will continue to positively affect their education.

Elementary Schools: Grades K through 5

Currently, there are five elementary schools (Asher Holmes, Defino Central, Dugan, Marlboro Elementary, and Robertsville) in the district. Three of these schools house students in grades K-5 and two house students in grades 1-5; all providing a comprehensive educational program.

Asher Holmes Elementary - a grade 1-5 school of 452 students. There are two administrators and staff of 61 teachers, instructional assistants and school aides. The school is located on Menzel Lane in the Morganville section of Marlboro.

Frank Defino Central Elementary - a grade K-5 school of 516 students. There are two administrators and a staff of 88 teachers, instructional assistants and school aides. The school is located on Rt. 79 in Marlboro.

Frank Dugan Elementary - a grade K-5 school of 632 students. There are two administrators and a staff of 84 teachers, instructional assistants and school aides. The school is located on Topanemus Road in Marlboro.

Marlboro Elementary - a grade K-5 school of 562 students. There are two administrators and a staff of 78 teachers, instructional assistants and school aides. The school is located on School Road West in Marlboro.

Robertsville Elementary - a grade 1-5 school of 438 students. There are two administrators and a staff of 83 teachers, instructional assistants and school aides. The school is located on Menzel Lane in the Morganville section of Marlboro.

Marlboro Middle Schools: Grades 6, 7 & 8

Currently, there are two middle schools (Marlboro Middle School and Marlboro Memorial Middle School) that offer students in grades 6, 7 and 8 a comprehensive educational program.

Marlboro Middle School - a grade 6-8 school of 942 students. There are three administrators and a staff of 137 teachers, instructional assistants and school aides. The school is located on Rt. 520 in Marlboro.

Marlboro Memorial Middle School - a grade 6-8 school of 773 students. There are three administrators and a staff of 98 teachers, instructional assistants and school aides. This school is located on Nolan Road in the Morganville section of Marlboro.

Marlboro Middle School boasts a state-of-the-art auditorium that benefits not only the educational community, but the Township of Marlboro as well. The facility is available for rental by both nonprofit and for-profit organizations.

Each of the two middle schools is organized around learning teams (or schools within a school). Each team represents the five disciplines (math, English language arts, social studies, science, and world language). Teachers on these teams are assigned approximately 150 students. The result is that a family type atmosphere is created, enabling teachers to work more closely with students academically and socially. Discipline problems also may be addressed immediately in this type of school setting.

DISTRICT-WIDE CURRICULUM

The goal of the Marlboro Township PK-8 Public School System is to encourage lifelong learning for all students. The district provides curricular offerings aligned to the New Jersey Student Learning Standards that enable students to develop intellectually, socially, physically and emotionally. The core subjects of English language arts literacy, mathematics, science, and social studies establish the foundation for a curriculum of exploration and breadth.

English Language Arts

The English language arts curriculum is aligned to the New Jersey Student Learning Standards and promotes the language experiences students need in order to grow intellectually, socially, and emotionally. A balanced literacy approach is utilized, which integrates reading, writing, speaking, listening, and viewing to foster instruction that encourages students to think critically and creatively. The curriculum provides the skills students need to be successful throughout their lifetime and moreover, promotes the inner joy that comes with reading great literature and communicating well in speech and writing. Units of study resources, along with a comprehensive curriculum guide, provide teachers with the necessary tools to instruct students in a high quality manner.

Mathematics

The overarching goal of the mathematics curriculum is to equip students with higher-order thinking skills, a deep conceptual understanding of mathematics, and effective problem-solving abilities in order to prepare them for success in both their future careers and everyday life. Our mathematics curriculum is thoughtfully aligned with the New Jersey Student Learning Standards and follows a developmental, sequential progression: concepts are introduced, developed, and ultimately mastered. A wide range of instructional strategies including hands-on learning, inquiry-based instruction, and technology integration are implemented to deliver the curriculum with fidelity and to meet the needs of all learners. The eight Standards for Mathematical Practice are seamlessly embedded throughout the curriculum and instructional design, encouraging students to extend their understanding through reasoning, modeling, and real-world application. Comprehensive units of study, supported by detailed curriculum guides, provide educators with the essential tools to deliver high-quality mathematics instruction across all grade levels.

Science

Science education in Marlboro provides the experiences to make students aware of the impact of science on society. This comprehensive curriculum, aligned to the New Jersey Student Learning Standards, assures that students develop an understanding of the concepts and processes of science through inquiry, activity, and experimentation. In grades kindergarten through five, the emphasis is placed on broad conceptual development while incorporating disciplinary core ideas, science and engineering practices, and crosscutting concepts; tenets of the Next Generation Science Standards. In grades 6-8, while the incorporation of disciplinary core ideas, science and engineering practices, and crosscutting concepts is still prevalent, the specific areas of earth science, life science and physical science are taught in grades 6-8, respectively.

Social Studies

The social studies program is aligned to the New Jersey Student Learning Standards and reflects our changing society. Through a variety of learning experiences, by linking the past to the present, students develop an

appreciation of the continuity of the human experience and realize that each individual has a contribution to make to society. With subject matter drawn from the humanities, this social studies program includes history, geography, government and civics, economics, anthropology, and sociology. These key study areas are integrated to explain the past, the current human condition, and future possibilities.

World Languages

The focus of the world language program is for students to gain a rich background in the culture and acquire the ability to communicate in the target language of Spanish. Elementary students focus on foundational Spanish and carry this into a deeper exploration of the Spanish language at the middle school level.

Arts

The arts curriculum is intended to promote creative and original thought. The foundation of the arts curriculum is the belief that students are unique and have diverse talents. The goal of the arts programs is to provide rich, educational opportunities for all students to explore vocal music, general music, instrumental music, visual art, drama, and dance.

Library Media Center

The library media program embodies the district's philosophy of developing and enhancing critical thinking skills through the use of print, multimedia, and technological resources. Students are encouraged to become life-long learners by fostering recreational reading and providing instruction in research skills that will be useful to them throughout their lifetime.

The library media program is an integral part of the total educational program. Students learn the basic processing skills necessary to connect concepts and information in all disciplines and interest areas. As a result of the library media program, students will be able to locate, select and retrieve print and non-print materials, evaluate information effectively, and access technological resources independently.

Comprehensive Health and Physical Education

The comprehensive health and physical education programs encourage students to take responsibility for their own lives by acting conscientiously in the present and establishing positive health practices that will support and enhance life-long wellness. Students who are health-literate have the knowledge and skills to better achieve and maintain physical, social, and emotional health.

Educational Technology

It is the vision of the district to provide a technologically enriched environment in which our students can perform at optimum levels. The district provides for the acquisition and dissemination of knowledge via technological resources in concert with the New Jersey Student Learning Standards and the National Educational Technology Plan. The district modifies its program as students' needs and current technologies change. As a result, on-going technology training is a major component of the district's staff development plan via turn-key training sessions as well as out-of-district professional development opportunities.

Response to Intervention (RTI)

The RTI program is designed to identify students who need additional academic and/or behavioral support through tiered interventions. It is a multi-tiered system that is fluid and begins with high-quality instruction for all students in the regular classroom and supplemental support through differentiated instruction and small-group instruction to support those students who demonstrate a need for such, often with the advice of relevant area experts. At the next stage, a pull-out system utilizes small-group instruction in which students receive more intervention targeted to achieve specific standards-based goals. Student progress is closely monitored to ensure they are receiving the support they need to succeed.

Elementary Gifted and Talented

The elementary gifted and talented programs are needs-based programs designed for those students who exhibit exceptional intellectual and/or academic needs. The programs provide additional and appropriate educational challenges and opportunities to meet those needs.

- *PEP (Grades K through 2) Primary Enrichment Program* Weekly pull-out programs that present grade appropriate introductions to the elements of critical and creative thinking through units created for gifted learners that are interdisciplinary and incorporate content knowledge, logical reasoning, and philosophical investigations.

- *REACH (Grades 4 & 5) Realizing Excellence through Academic Challenge* Develops the strategies essential for critical and creative thinking through units created for gifted learners that are interdisciplinary and incorporate content knowledge, logical reasoning, imaginative speculation, collaborative leadership skills, and philosophical investigations.
- *SOAR (Grades K through 5) Special Opportunities through Academic Resources* Individualized programs focusing on specific academic discipline(s) and/or projects as recommended by building action committees.

Middle School Honors

The middle schools have honors programs that are subject-specific. A student may qualify for one, any combination of two, or all three in a given year.

- *English Language Arts; Science; Social Studies* One period daily for a full year in lieu of the general level classroom. Promotes deeper development in the content areas with accompanying text complexity, academic rigor, and acceleration through the regular curriculum to allow for special projects.
- *Creative Arts (Grades 6 through 8)* One period daily, for a full year. Encourages development of artistic skills and creative thought.
- *Jazz Band/Show Choir (Grades 7 & 8)* Two periods every six days, for a full year. Promotes performance quality musicianship skills.

English as a Second Language (ESL)

The ESL program addresses the needs of students who have acquired another language before their exposure to English. The program is designed to help students develop both communicative skills and academic language proficiency in English so that they can succeed in school. The ESL program focuses on the development of skills in listening, comprehension, speaking, reading, writing, and American culture. Support is provided in the content areas of science, social studies, English language arts, and mathematics.

Applied Technology

The Applied Technology curriculum reflects the emergence of new instructional technologies related to engineering, design, and computational thinking (programming). Students in grades six through eight experience opportunities to participate in the engineering design process to realize the relationship between theory and practical application. Design challenges require students to implement problem solving strategies, creativity, and teamwork. Emerging instructional technology such as 3D printing, video game design, circuitry design and microcontroller computer programming are infused throughout all three grade levels.

New Jersey Student Learning Standards

The Marlboro Township School district is following the Department of Education's guidelines for the adoption of the New Jersey Student Learning Standards. All approved curricula are aligned to the New Jersey Student Learning Standards.

Staff Development

The Marlboro Township School district provides its teaching staff with many opportunities for professional development.

In the beginning of the school year, all newly hired teachers receive seven days of intensive in-service that includes instructional strategies, classroom management, curriculum, mentoring, district policy, technology, and security. Mentors are assigned to new staff members to provide support throughout the school year.

Five full day professional days are built into the school calendar, enabling teachers to attend sessions related to instructional strategies, curricular updates, textbook orientation, and district-wide grade level and department meetings. Teachers also are afforded the opportunity to take two additional professional days related to their PDPs and/or areas of interest.

Many teachers are involved in writing curriculum. They receive in-service in using the New Jersey Student Learning Standards when writing curricula. These documents provide the support needed for teachers to develop curriculum guides that foster higher order thinking skills for all Marlboro students.

Technology

District-wide technology is used to increase productivity, enhance communication, and enrich curriculum and instruction. Every classroom, media center, and office in all eight schools, transportation, buildings & grounds, and the administration building are linked together in local and wide area networks. All administrators, teachers, and support staff have access to computers, printers, email accounts, and the internet within their work areas.

To assist teachers in presenting lessons and resources to an entire class by way of one computer in a classroom, ActivPanels have been installed in every classroom throughout the district. The interactivity available with these devices has provided district students with opportunities for active learning. As an effective and efficient alternative to cyclical computer lab replacements, the district has created a 1:1 computing environment where every student has access to a district-owned device in grades 1-8. Teachers have access to a variety of online programs including *Achieve3000*, *ST Math*, *IXL*, to name a few.

All schools use e-mail communications with parents, which has reduced the amount of paper sent home with the students. All teachers use *Genesis* as the student information system for inputting term grades and generating report cards. Parents can access their child’s schedules, class attendance, and teachers’ grade books in real-time via the *Genesis* Parent Portal.

Staff and students of all elementary and middle schools have the use of Chromebooks with wireless network cards. These devices support teachers in implementing a real-time assessment, curriculum-based instructional platform. At The Abbott Early Learning Center students utilize iPads. Additionally, at the middle school level, the district has also permitted students with 24-hour access to a district-owned Chromebook by providing the ability for the devices to go home with students. This enables them to work virtually and collaborate even when outside the confines of the classroom and school day.

ECONOMIC CONDITION AND OUTLOOK

The district completed the 2024-25 fiscal year with an enrollment of 4,609 in-district students. The following details the changes in the student enrollment of the district over the last five (5) years and the current school year. The table presents the annual in-district pupil enrollment, as of October 15, for the school years 2021-21 through 2025-26

<u>School Year</u>	<u>Enrollment as of October 15</u>
2021-22	4,537
2022-23	4,517
2023-24	4,543
2024-25	4,516
2025-26	4,503

It is important to note that several new housing developments and apartment complexes are currently underway throughout the township. Students from these new communities began enrolling in district schools during the 2023–24 and 2024–25 school years. The district anticipates continued enrollment growth from these areas throughout the 2025–26 school year. These developments impact multiple schools across the district.

The district’s eight schools differ significantly in age, with original construction dates spanning from 1956 to 2003. In past years, several bond referendums aimed at addressing pressing building needs were proposed but ultimately defeated. To tackle these capital infrastructure challenges, the district launched an Energy Savings Incentive Program (ESIP) during the 2019-20 school year. This project was completed in 2022-23. This ESIP included replacement of HVAC systems; replacement of hot water heater; replacement of boiler, pump and expansion tank; main distribution panel, panel boards, feeder replacement; fire alarm replacement; ATC head ends; and the installation of solar panels.

We recognize that New Jersey is navigating a fiscal challenge, and we want to reassure our residents that the Marlboro Township School District remains committed to maintaining a responsible and effective budget. Despite broader pressures—such as reductions in state aid due to recalibrations in the S2 funding formula and classification as “over-adequacy,” which restricts further state assistance—the district has proactively managed its finances through diligent oversight and innovative strategies

Our administration continues to carefully monitor operational costs and seeks new funding opportunities in order to maintain the high-quality education services that the district has been accustomed to providing.

MAJOR INITIATIVES

Asher Holmes Elementary School

The 2024-25 school year reflected a commitment to fully support the instructional program while being financially conservative and responsible. The books, services, and materials that were purchased were for mandated and supplemental instructional resources that allowed for an academically rigorous program.

The priorities of maintaining student safety and security, as well as rigor in the instructional program, were the cornerstones of the 2024-25 school year. In a continuing commitment to fiscal responsibility, purchases were made very selectively with both school and district goals at the forefront of that decision-making.

For the 2024-25 school year, class sections remained stable from the previous year. All initiated purchase requests were for materials that were deemed essential. These included core instructional materials/supplies, classroom furniture, cafeteria tables, and materials for the nurse's office. Two large annual monetary allocations were for copier paper and basic classroom supplies.

As was reflected in the budget and purchases made during the 2024-25 school year, allocations reflected a continued commitment to supporting ELA and Math instruction and the new programs purchased through the curriculum department. Additionally, purchases of educational resources were also made to enhance small-group and differentiated instruction within the mathematics and literacy sections at each grade level. Purchases of district-approved classroom furniture, such as bookcases and file cabinets, were made, as well as new rugs and small-group instruction tables within classrooms that were lacking. We are purchasing new classroom desks, chairs, and chair gliders as needed so that all classrooms contain new and matching furniture in great condition. Monies were also allocated and spent within the special areas of art, media literacy, music, PE, and health. Doing so provided monetary support for these programs within the school budget so that these programs could operate properly during the school year. Input from stakeholders across the staff proved useful in determining the amounts needed in various supply accounts. Supplies that were ordered were confirmed to be valid needs before initiating the purchase process. Whenever possible, members of the staff continued to utilize existing resources to keep costs down.

Lastly, monies were utilized to purchase new wall pads for the gymnasium as the existing pads were mismatched and damaged. The gymnasium pads are now up to code and ensure proper safety padding during physical education classes.

Frank Defino Central Elementary School

At Defino Central School, we're so grateful to have the resources to keep our classrooms buzzing with excitement and learning! Thanks to your support, we've made some fantastic updates this year to help our amazing students and teachers shine. Here's what we've been up to in 2024-25:

- ***Tech in Classrooms:*** After upgrading all 3-5 classrooms with ActivePanels, we've added Quizizz subscriptions for all grades this year! Our teachers loved using Quizizz to check in on student learning in a fun, interactive way—it's like a game show that keeps kids engaged and smiling.
- ***Sprucing Up Our Spaces:*** We've continued to phase out end of life desks and chairs to keep our classrooms cozy and modern. Plus, we've added more bulletin boards in our hallways to show off the incredible work our students are doing—it really brings our school to life and showcases the immense talent we have here at Defino!
- ***Boosting the Arts:*** We've poured more funding into our arts programs, so every student in grades K-5 gets their moment in the spotlight. From playing instruments to singing and acting, our students are putting on performances that make parents beam with pride.
- ***Keeping the Essentials Stocked:*** We've made sure our math and reading programs, teacher resource center, and weekly student news subscriptions are fully supported with all the materials they need. We've also got the nurse's office, art, music, library, and PE programs covered with essential supplies.
- ***Tech for Everyone:*** Our 1:1 chromebook program for grades 1-5 is still going strong, paired with top-notch, common core-aligned resources to help every student reach their potential.
- ***Day-to-Day Needs:*** We've kept the paper flowing for our copiers and stocked up on classroom basics so our teachers can focus on what they do best—teaching.

Frank Dugan Elementary School

Frank J. Dugan Elementary School, with the support of the Marlboro Township Board of Education and central office administrators, was able to achieve several budgetary goals in accordance with the district's collective mission and vision statements serving as its guide.

By working collaboratively with the Business Office, I was able to make some adjustments in continuing to advocate for high-quality educational opportunities for all of our students.

The 2024-25 school year celebrated the following accomplishments:

- Continued work with an expanding Flexible Seating Committee to revolutionize what our instructional spaces look and feel like for learners.
- Replacement of older generation ActivPanels that were originally installed in Dugan Elementary's former computer labs which now serve as classrooms.
- Replacement of worn teacher furniture—many of the items are original to the school.
- Continued replenishment of new student and instructional furniture and resources in learning spaces.
- Purchasing professional literature to begin tinkering with Professional Learning Communities (PLCs).
- Aligning purchases with staff's professional development pathways such as school leadership, artificial intelligence, primary literacy instruction, and executive functioning.
- Achieving goals over the past several budgets, looking to continue to support the replacement of worn instructional resources to support teaching and learning.

David C. Abbott Early Learning Center

During the 2024-25 budget cycle the David C. Abbott Early Learning Center's budget continued to evolve to meet the demands of a rigorous curriculum and the unique needs of each student.

Funds were used to insure that all classrooms were properly furnished and equipped. Everything from age-appropriate furniture to classroom supplies were purchased. Online tools, such as IXL, ST Math, Raz Kids, ESGI, and Smarty Ants allowed us to monitor students' reading and math progress. Empowered with this data, teachers were able to utilize strategies such as small-group instruction and individualized, differentiated support to meet the needs of each student.

A portion of the budget was dedicated to operational costs. An allocation for copier paper, laminating film, printer ink, health office supplies, office supplies, and classroom/related arts supplies were required for the efficient and safe operation of the building.

Marlboro Elementary School

Marlboro Elementary School is fortunate to be supported by the MTBOE through the provision of instructional resources and technology that align with our shared vision and mission of preparing students to be leaders in a greater global society. The integration of Chromebooks, interactive whiteboards, and tablets—paired with a wide range of online programs and materials aligned to the New Jersey Student Learning Standards (NJSLs)—enables teachers to uphold the district's core principles: using data to drive instruction, leveraging online programs, implementing small group instruction, and fostering student-set learning goals.

In addition, budget priorities have been identified to further district and building goals for social-emotional character development (SECD) and student mental health initiatives. The 2024–25 budget was developed to support these priorities and to ensure the continued delivery of high-quality instruction. To achieve this, funds were allocated to accomplish the following objectives:

- Purchase of classroom furniture to support instruction.
- Replenishment of materials for hands-on science instruction.
- Replenishment of consumable materials in both English Language Arts (ELA) and Mathematics.
- Purchase of library books to maintain and enhance the offerings in the school's library.
- Replenishment of textbooks and acquisition of online resources not funded at the district level.
- Purchase of materials for large-format printing to produce both instructional resources and resources supporting social-emotional learning and character development.
- Replenishment of supplies to support student health and safety.

Marlboro Middle School

During the 2024-25 school year, teachers, parents, students, and support staff collaborated to foster a school environment focused on academic achievement and personal growth for students in grades six through eight. In alignment with district initiatives, staff members implemented data-driven instruction and integrated digital tools and technology to deliver the grade-level curriculum effectively. Teachers have fully embraced the 1:1 digital learning model and utilized curriculum-appropriate resources to provide differentiated instruction while supporting the development of students' organizational and time management skills..

Promoting a positive school culture and climate continued to be a central focus throughout the school year. Grade-level programs emphasized the importance of tolerance and respect for others, while school-wide events

reinforced the concept of school as a collaborative learning community, particularly during the Week of Respect and New Jersey School Violence Awareness Week. The school psychologist led a comprehensive, building-wide initiative centered on social-emotional learning (SEL), aligned with the MTPS Pillars and Competencies.

In partnership with the CARMA Center to Combat Antisemitism and Reinforce Multicultural Acceptance, an initiative of Jewish Federation in the Heart of NJ, the district presented a powerful educational experience for parents, staff, and eighth-grade students. This program included pre- and post-program surveys assessing knowledge of the Holocaust, classroom instruction, and a visit to the "Hate Ends Now" Holocaust Education Cattle Car Exhibit and Mobile Artifact Display, providing a meaningful, immersive learning opportunity. The program was designed to "shine light on Holocaust history and the dangers of antisemitism, intolerance, and identity-based hate." Students were fully engaged in the experience and the overall program.

Our athletic teams and extracurricular clubs continued to thrive, providing students with opportunities to engage in team building, sportsmanship, and competition. Students participated in a wide range of clubs, including Jazz Band, Ping Pong, Spring Games, Technology Association, Sign Language, and Health & Fitness. Several students from our school represented us in the Middle School Technology Association Competition held last spring. Our music ensembles and math teams also competed in local and regional events, earning group awards and individual honors in recognition of their talents and dedication.

In closing, we sincerely appreciate the ongoing support of our dedicated staff, engaged parents, and the PTO. Their partnership plays a vital role in helping us deliver a well-rounded, high-quality educational experience for all of our middle school students.

Marlboro Memorial Middle School

The Marlboro Memorial Middle School community worked collaboratively to support a school culture centered on academic and personal growth for all students in grades six through eight during the 2024-25 school year. MMMS students excelled in Exploravision science competitions, essay writing competitions, and community service.

In addition, the MMMS Boys' & Girls' Tennis Team won their league championship. Students from MMMS continue to be one of the leading sending schools to the FRHSD learning academies, vocational schools, and private schools.

The 2024-25 building goals centered on peer observation, 21st Century Skills, and Personalized Learning. To that end, teachers conducted peer observations a minimum of twice in a school year in order to improve their instruction. The continued use of Chromebooks allows teachers and students to integrate new methods of instruction and learning into the classroom environment. The Chromebooks also provided teachers the ability to further implement a variety of different digital tools aimed at 21st Century Learning.

MMMS teachers attended monthly Professional Learning Community sessions focusing on improving instruction and meeting the needs of their students. Teachers researched various elements in instruction and turn-keyed the findings to their colleagues which will inform future practices. Our school PTA continued its strong support for student centered initiatives such as assemblies focusing on anti-bullying, clothing drives, and community service.

Robertsville Elementary School

Robertsville Elementary School has much to celebrate from the 2024-25 School Year. The staff at Robertsville services an incredibly diverse population of students grades K-5 within the Marlboro Township School District. Our teachers, administrators, and support staff work tirelessly to provide our community with an excellent educational experience. Partnering with the Robertsville PTO also helps our students leave Robertsville with memories to last a lifetime. Students had the opportunity to participate in several themed dances, staff performances, assemblies that centered around character education, as well as field trips for every grade. We believe that the Robertsville classroom and our focus on teaching students tenants of character happens within and outside our building. This was apparent during our Week of Respect, where students engaged in lessons, activities, and projects that adorned the bulletin boards within the building. During the 2024-25 school year, Robertsville made the Robertsville Runs on Respect initiative where the theme of respect was infused into assemblies, classroom lessons, and student centered activities. We ran an art competition where a student not only designed the image for the Robertsville Runs on Respect theme, but was featured on a shirt that students and staff could purchase and wear.

Robertsville Elementary School believes in going to the "Extra M.I.L.E" where we Motivate Individual Learners Everyday. Through differentiated instruction that allows for collaborative learning opportunities, individualized learning opportunities, and a robust platform of data analysis tools, educational technology programs, and our 1:1 chromebook initiative, students are in an environment that will help them thrive. Teachers, in conjunction with the curriculum department, support students with a rigorous, yet student centered approach. Students in our 5th grade Gifted and Talented class placed top three in the state's NJSBA STEAM Tank Challenge. Students designed a device that will save turtles from being caught in commercial fishing nets.

Finally, during the 2024-25 School Year, we held a student performance of Junie B. Jones. Students designed the sets, worked the technology and performed for their peers and parents. Robertsville also featured an art show where students and families came back to school to view student art. Every student in the school was featured. We value our well rounded approach to teaching and learning as well as the relationships we build with our community and PTO.

DISTRICT-WIDE

Curriculum:

Mentoring – New teachers to the district have a well-defined mentoring program that will enable them to become acculturated into the Marlboro schools. This program supports new teachers by providing a mentor who acts as a guide the first year. During the second year of mentoring, the concept of coaching has been added to train mentors to further assist new teachers in the instructional process.

Curriculum Writing – Many guides were revised or developed in order to align the New Jersey Student Learning Standards. In addition, many curriculum committees worked to modify units of study and resources aligned to the New Jersey Student Learning Standards.

Technology:

District-wide technology was used to increase productivity, enhance communication, and enrich curriculum and instruction. Throughout the year, all district administrators, teachers, and appropriate support staff had the use of a networked computer for e-mail and Internet access. All students had access to networked computers for Internet use in classrooms, media centers, and computer labs. Throughout the district, networked computers are in operation and a complete Local Area Network (LAN) was present in each school and in the administration building. These LANs are connected to a Wide Area Network (WAN). The internet service provider is Cablevision - Lightpath.

The district maintains a website that includes district information and separate sections for each school. These school sections include individual teacher pages. The district's website was recently updated for a better end-user experience.

Special Services:

- The special services department continues to foster each student's education in their least restrictive environment based on the student's individualized education plan. The special education programs continue to be an essential part of each school within the district. The district continues to have a variety of programming to meet student needs from co-teaching classrooms to self-contained classrooms. In Class Resource (ICR) or co-teaching classrooms are in each school. The co-teaching classrooms allow for both a general education and special education teacher to work together to provide instruction in the general education setting. In addition, pull out resource programs and self-contained programs (ERI, LLD, MD, and AUT) were offered in-district to address all levels of special education instruction. Moreover, the district continues to offer Preschool Disabled programming and Preschool Integrated Programming.
- The self-contained programs have continued to progress and the special services department expanded its use of research-based programs to address the multiple learning levels in the self-contained programs. The ERI, LLD, MD, and Autism classes have access to district programs like IXL, I-Ready, Raz Plus, and Learning Ally, with a new addition of TouchMath Pro for mathematics. More specifically the Multiply Disabled (MD) and Autism (AUT) programs provide both academic and functional based instruction in order to promote independence. The Autism program has implemented AFLS into the curriculum for functional life skills integration as well as the PEAK/ABBLS curriculum in our Autism programs. All of the self-contained programs have a social skills component. These classes have the opportunity to practice critical social skills individually and in whole group lessons. Additionally, we were able to enhance the community-based instruction opportunities in the middle school to include visits to No Limits Cafe and local establishments.

- The Child Study Team members including behaviorists, related service providers, and mental health professionals, continue to work with teachers, instructional assistants, administrators, and parents to support our students. Speech-language specialists continued to expand an accessible communication initiative to design and install jumbo visual communication boards on school playgrounds. The child study team provided counseling, lunch bunch groups, circle of friend groups, and a check in system for students and families. Our related service providers used various online subscription resources to provide dynamic interventions that incorporated technology and gamify therapy targets. Our behaviorists and child study members provided professional development to staff and families on necessary training and support.. The child study team continues to use multiple measures to evaluate students and a variety of diagnostic measures to evaluate and reevaluate students in order to collect data to place students in the appropriate environment.
- The special services department continued and expanded its use of research-based programs to improve access and provide targeted skill support through Learning Ally, Snap&Read, Co:Writer, IXL, TouchMath, Raz Plus, Foundations, and I-Ready. Additionally, our Specialized Reading Instructors work with teachers and child study members, to create, implement, and continuously monitor a plan for students who were identified as needing intensive instruction. Programs such as Wilson Intensive, IMSE OG, Foundations, and Just Words are available options for specialized reading instruction.As a result, the department also purchased Leveled Literacy Intervention (LLI) kits to target specific phonological and comprehension needs for students.

Business:

Due to constant changes in the state fiscal environment, the business office continued to evolve during the 2024-25 school year. Increased workload in all areas, while maintaining current staff levels, proves to be an on-going challenge. Accomplishments/initiatives in this school year were as follows:

- Since the enactment of the S-2 amendment to New Jersey's School Funding Reform Act (SFRA), the Marlboro Township School District has experienced a significant reduction in state funding - totalling approximately \$3.6 million. Despite this financial setback, the district upheld the class size model approved by the Board of Education and continued to invest in district-wide capital improvements in alignment with our long-term facility plan.
- For the 23rd consecutive year, the Association of School Business Officials (ASBO) International has awarded a Certificate of Excellence in Financial Reporting to the Marlboro Township Board of Education for its Annual Comprehensive Financial Report (ACFR) for the Fiscal Year Ended June 30, 2024. This award was designed by ASBO International to enable school business officials to achieve a high standard of financial reporting. This award is conferred only to those school systems that meet or exceed the standards of the program.
- The Marlboro Township School District has continued to prioritize cost savings for taxpayers by expanding its shared services with Marlboro Township. During the 2024–25 school year, the district maintained participation in several collaborative initiatives, including:
 - Electricity cooperative purchasing
 - Collective procurement of gasoline and diesel
 - Shared custodial services
 - Shared summer transportation services
- In conjunction with Marlboro Township, provided school resource officers and armed police officers in all of the Marlboro schools to help keep the students and staff safe.
- The district has made important strides toward its goal of adding air conditioning to all schools:
 - 2022–23 & 2023–24 school years: Air conditioning was installed at Dugan Elementary and Defino Central Elementary.
 - 2024–25 school year: Air conditioning was added to Marlboro Elementary.

Looking ahead, the district is preparing a referendum for the 2025–26 school year to fund AC installation at both Robertsville Elementary and Asher Holmes Elementary. A recent board meeting confirmed plans for a December 2025 public referendum, aimed at securing voter approval for this project.

- Chartwells' met its financial guarantee for the 2024-25 school year.
- In the 2024-25 school year, due to the increase in the number of free and reduced students at Defino Central, the School Nutrition Program required that the district begin a breakfast program at Defino Central. The district is looking to expand this program to all schools in the 2025-26 school year.

Personnel:

The district employed 819 individuals during the 2024-25 school year. The certificated staff numbered 511; 30 administrators and supervisors and 481 classroom teachers and educational support personnel (nurses, guidance counselors, child study team members, etc.). In addition, 308 others, including instructional assistants, school aides, bus drivers and attendants, secretaries and clerk-typists, and custodial and maintenance employees, were employed.

In a district the size of Marlboro, there is the need each year to search for qualified candidates. The district was able to accomplish this through a highly competitive recruitment and selection process. Additionally, an impressive array of in-service opportunities helped staff members stay current, allowing them to improve their instructional skills, a hallmark of a progressive and innovative school district. For example, the district continued its new teacher mentoring program. All newly certified teachers and most teachers new to the district were assigned mentors as well as supervisory advocates to assist them in their first year of employment. District administrators further provided these teachers with an extensive in-service program designed to help them acclimate to their new working environment.

Beginning in the Spring of 2022, the District employed a contracted substitute service (ESS) to provide substitute teachers, instructional aides, cafeteria aides, nurses and secretaries. The district has continued with the service and will continue into 2025-26.

INTERNAL CONTROLS

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

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

BUDGETARY CONTROLS

In addition to internal controls, the district maintains budgetary controls. The objective of these 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 funds, and the debt service fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section. P.L. 2011, c 202 allowed school districts to elect to eliminate the budget vote and adopt a budget approved by the Board of Education and the New Jersey Department of Education (NJDOE) providing that the tax levy increase does not exceed 2% plus any allowable waivers.

ACCOUNTING SYSTEM AND REPORTS

The District's financial statements are presented in conformity with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the district is an encumbrance accounting system that is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance at fiscal year end. These funds are explained in "Notes to the Basic Financial Statements," Note 1.

AWARDS

The district received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. This was the 23rd consecutive year that the district received this award. In order to be awarded a Certificate of Excellence, the district published an easily readable and efficiently organized ACFR.

This report satisfied both Generally Accepted Accounting Principles in the United States of America and applicable legal requirements. A Certificate of Excellence is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Excellence Program's requirements and we will be

submitting it to ASBO to determine its eligibility for another certificate.

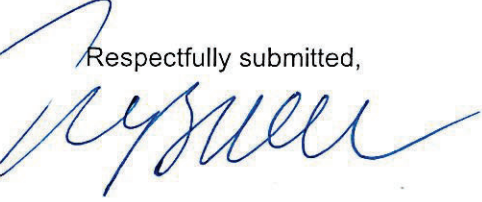
INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C., was selected by the board to perform the audit. In addition to meeting the requirements set forth in State Statutes, the audit also was designed to meet requirements of Title 2 U.S. Code of Federal Requirements Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the New Jersey OMB's Circular 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". The auditors' report on the basic financial statements, required supplementary information, individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the Single Audit are included in the single audit section of this report.

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

ACKNOWLEDGMENTS

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

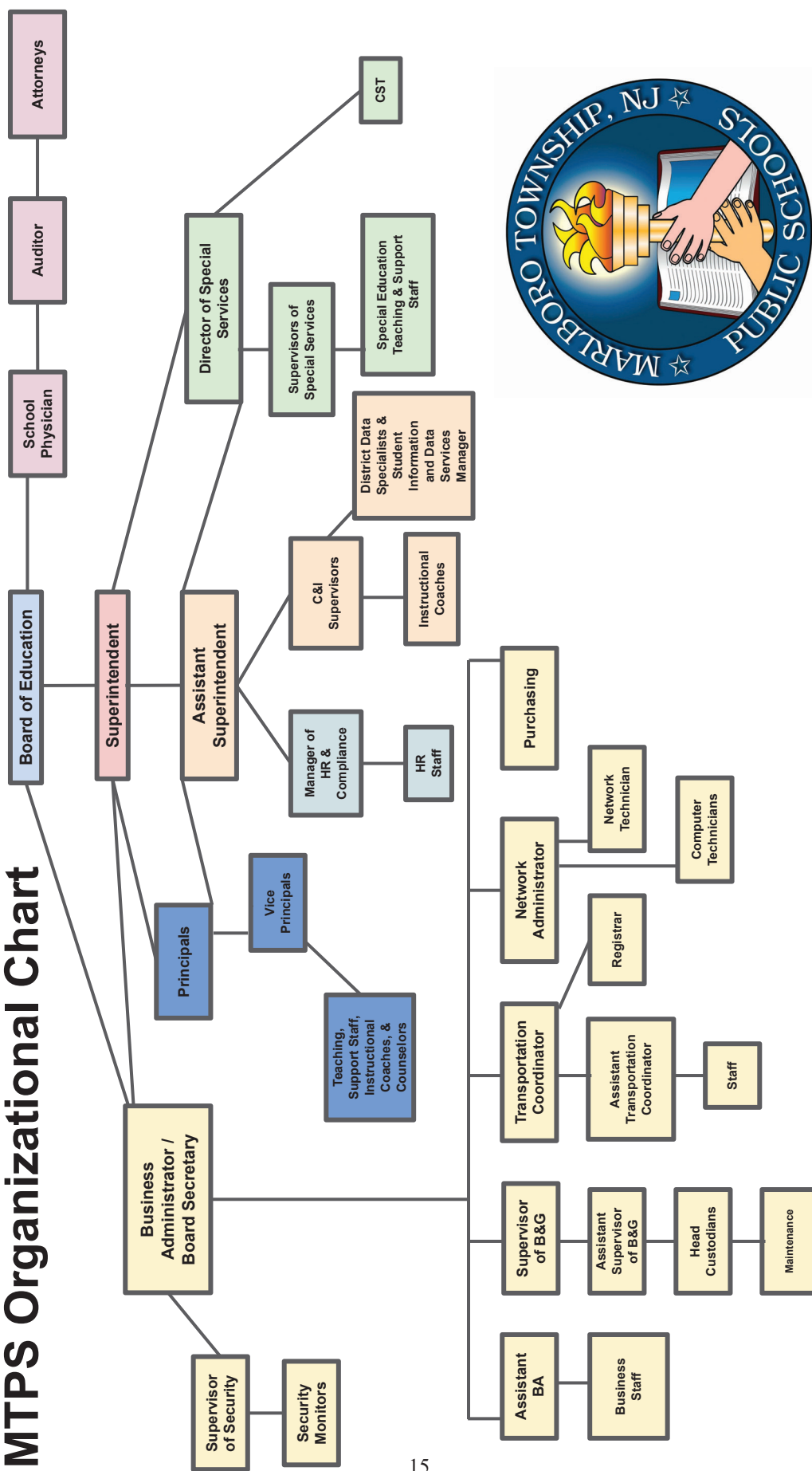
 Respectfully submitted,

Michael Ballone
Superintendent of Schools



Christine Jelinsky
Acting School Business Administrator/
Board Secretary

MTPS Organizational Chart



**MARLBORO TOWNSHIP SCHOOL DISTRICT
MARLBORO, NEW JERSEY
ROSTER OF OFFICIALS
JUNE 30, 2025**

Members of the Board of Education

TERM EXPIRES

Brian Cohen, Board President	2027
Chad Hyett, Board Vice President	2026
Danielle Bellomo	2027
Jenna Corrado	2027
Aditi Gandhi	2026
Michael Lilonsky	2025
Valentina Mendez	2025
Susanne Miskiewicz	2026
Annette Siewert	2025

Other Officials

Michael Ballone, Superintendent
Vincent Caravello, School Business Administrator/Board Secretary

**MARLBORO TOWNSHIP SCHOOL DISTRICT
MARLBORO, NEW JERSEY
CONSULTANTS AND ADVISORS
JUNE 30, 2025**

AUDITOR/AUDIT FIRM

Holman Frenia Allison, P. C.
1985 Cedar Bridge Ave., Suite 3
Lakewood, New Jersey 08701

ATTORNEY

Kenney, Gross, Kovats & Parton
214 Park Avenue
Manalapan, New Jersey 07726

OFFICIAL DEPOSITORY

Bank of America
6 South Main Street
Marlboro, New Jersey 07746

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ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Marlboro Board of Education

**for its Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2024.**

The district report meets the criteria established for
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

James M. Rowan, CAE, SFO
CEO/Executive Director

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FINANCIAL SECTION

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INDEPENDENT AUDITORS REPORT

Honorable President and Members
of the Board of Education
Marlboro Township School District
County of Monmouth
Marlboro, New Jersey

Report on the Financial Statements

Opinions

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

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

Basis for Opinions

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

Emphasis of Matter

Changes in Accounting Principle

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2025 the District adopted Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls 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 Responsibility

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions and other post employment benefits, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB 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 introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2026 on our consideration of the School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'J. Conaty', with a stylized, overlapping flourish extending to the right.

Jerry W. Conaty

Certified Public Accountant

Public School Accountant, No. 2470

Lakewood, New Jersey
January 15, 2026

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2025
UNAUDITED

This section of the Marlboro Township School District Board of Education's Annual Comprehensive Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2025. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - Basic Financial Statements-Management's Discussion and Analysis-for State and Local Governments issued in June 1999 that is also required by the New Jersey State Department of Education. Certain comparative information between the current fiscal year 2024-2025 and the prior fiscal year 2023-2024 is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for 2025 are as follows:

- In total, net position of governmental activities decreased (\$1,443,840), which represents a (5.91%) decrease from 2024. Total net position of business-type activities increased decreased (\$223,092), which represents a (17.26%) decrease from 2024.
- General revenues accounted for \$96,192,466 in revenue or 74.28% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$33,315,793 or 25.72% of total revenue of \$129,508,259.
- Total assets of governmental activities decreased by (\$3,548,963) as cash and cash equivalents decreased by (\$5,907,109), receivables increased by \$670,733, restricted cash and cash equivalents increased by \$5,420,458, and total capital assets decreased by (\$2,149,943).
- Total liabilities of governmental activities increased by \$919,283 as non-current liabilities due beyond one year decreased by (\$695,438).
- The District had \$128,813,582 in governmental activity expenses; only \$31,177,276 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues from governmental activities (primarily property taxes) of \$96,192,466 were not adequate to provide for these programs, resulting in a decrease in net position for governmental activities of (\$1,443,840).
- In the governmental funds, the general fund had \$118,140,013 in revenues, \$119,100,877 in expenditures, and \$683,992 in other financing uses. The general fund's fund balance decreased by (\$1,644,856) over 2024.

USING THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

This annual report consists of a series of financial statements and notes to these financial statements. These statements are organized in a way to allow the reader to understand the Marlboro 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.

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

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with an overview of the District's finances, in a manner similar to a private-sector business.

The Statement of Net Position (A-1) presents information on the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Changes in Net Position (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods of the district.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund Financial Statements. A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

The general and special revenue funds utilize a legally adopted annual budget. A budgetary comparison statement has been provided for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary Funds

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used 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 of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the district-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

Notes to the Financial Statements. The notes provide additional information that is essential for a full understanding of the data provided in the district-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

Government-Wide Financial Analysis

The District's financial position is the result of several types of financial transactions, including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position for June 30, 2025 and 2024, respectively:

**Net Position
June 30, 2025**

	Governmental Activities		Business-Type Activities	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Assets				
Current and Other				
Assets	\$ 15,341,456	\$ 16,740,476	\$ 640,611	\$ 824,037
Capital Assets, Net	59,644,873	61,794,816	637,863	712,634
Total Assets	<u>74,986,329</u>	<u>78,535,292</u>	<u>1,278,474</u>	<u>1,536,671</u>
Deferred Outflows of Resources				
Deferred Outflows				
Relating to Pension	1,916,439	2,266,045	-	-
Total Assets and Deferred Outflows of Resources	<u>1,916,439</u>	<u>2,266,045</u>	<u>-</u>	<u>-</u>
Liabilities				
Long-Term Liabilities*	47,779,388	50,085,391	-	-
Other Liabilities	4,416,578	4,621,251	209,313	244,418
Total Liabilities	<u>52,195,966</u>	<u>54,706,642</u>	<u>209,313</u>	<u>244,418</u>
Deferred Inflows of Resources				
Deferred Inflows				
Relating to Pension	1,707,808	1,651,861	-	-
Total Liabilities and Deferred Inflows of Resources	<u>1,707,808</u>	<u>1,651,861</u>	<u>-</u>	<u>-</u>
Net Position				
Net Investment in				
Capital Assets	47,106,609	48,113,191	637,863	712,634
Restricted	10,002,677	10,950,622	-	-
Unrestricted*	(34,110,293)	(34,620,979)	431,298	579,619
Total Net Position	<u>\$ 22,998,993</u>	<u>\$ 24,442,834</u>	<u>\$ 1,069,161</u>	<u>\$ 1,292,253</u>

*For the year ended June 30, 2024, Net Position and Long-Term Liabilities are restated for GASB 101 (See Note 20 for further detail).

The District's largest net position component is the Net Investment in Capital Assets portion as shown above. Restricted balances represent resources that are subject to external restrictions on how they may be used.

Restricted net position decreased (\$947,945) from the prior year to \$10,002,677 at June 30, 2025.

Unrestricted net position may be used to meet the District's ongoing operating obligations to vendors, debtors and employees. The unrestricted net position includes the unassigned General Fund balance netted with the amount of long-term obligations that are not invested in capital assets. The (\$34,110,293) is shown as unrestricted net position for Governmental Activities.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net position for June 30, 2025 and 2024. Significant variances in revenues and expenditures from year to year, and explanations thereof, are detailed in the 'Financial Analysis of the District's Funds' section later in this report.

	<u>June 30, 2025</u>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 1,549,885	\$ 1,549,885
Operating Grants and Contributions	31,177,276	588,632	31,765,908
General Revenues:			
Property Taxes	85,592,873	-	85,592,873
Federal and State Aid	9,437,906	-	9,437,906
Miscellaneous	1,161,687	-	1,161,687
Total Revenues	127,369,742	2,138,517	129,508,259
Expenses:			
Instructional Services	82,207,970	-	82,207,970
Support Services	45,686,671	2,361,609	48,048,280
Interest and Other Charges	918,941	-	918,941
Total Expenses	128,813,582	2,361,609	131,175,191
Change in Net Position	(1,443,840)	(223,092)	(1,666,932)
Net Position, Beginning (as Restated, Note 20)	24,442,834	1,292,253	25,735,087
Net Position, Ending	\$ 22,998,993	\$ 1,069,161	\$ 24,068,154

	<u>June 30, 2024</u>		
	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 1,561,822	\$ 1,561,822
Operating Grants and Contributions	31,704,066	599,414	32,303,480
General Revenues:			
Property Taxes	82,934,189	-	82,934,189
Federal and State Aid	8,111,678	-	8,111,678
Miscellaneous	1,588,548	-	1,588,548
Total Revenues	124,338,481	2,161,236	126,499,717
Expenses:			
Instructional Services	80,087,852	-	80,087,852
Support Services	43,883,088	2,281,340	46,164,428
Interest and Other Charges	905,998	-	905,998
Total Expenses	124,876,938	2,281,340	127,158,278
Change in Net Position	(538,457)	(120,104)	(658,561)
Net Position, Beginning	42,523,383	1,412,357	43,935,740
Net Position, Ending	\$ 41,984,926	\$ 1,292,253	\$ 43,277,179

Financial Analysis of the District's Funds

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

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. The unassigned fund balance is divided between designated balances and undesignated balances. The capital projects fund is restricted by state law to be spent for the purpose of the fund and is not available for spending at the District's discretion.

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, and debt service fund revenues for the fiscal year ended June 30, 2025 and 2024 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

<u>June 30, 2025</u>				
	Amount	Percent Of Total	Increase (Decrease) From 2024	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 43,589,083	35.61%	\$ 1,242,133	2.93%
Undistributed	77,243,461	63.11%	2,093,764	2.79%
Capital Outlay	1,562,609	1.28%	773,363	97.99%
Total	<u>\$ 122,395,153</u>	<u>100.00%</u>	<u>\$ 4,109,260</u>	<u>3.47%</u>

<u>June 30, 2024</u>				
	Amount	Percent Of Total	Increase (Decrease) From 2023	Percent of Increase (Decrease)
Current Expenditures:				
Instruction	\$ 42,346,950	35.80%	\$ 1,921,578	4.75%
Undistributed	75,149,697	63.53%	2,465,617	3.39%
Capital Outlay	789,246	0.67%	(6,783,498)	-89.58%
Total	<u>\$ 118,285,893</u>	<u>100.00%</u>	<u>\$ (2,396,303)</u>	<u>-1.99%</u>

Instruction costs increased primarily due to negotiated salary increases and additional instructional positions being added.

General Fund Budgetary Highlights

Throughout the year, as necessary, budget transfers were effectuated between budget accounts to re-align the 2024-2025 budget. Budget transfers were effectuated based on expected positive and negative budget variances. The budget is continually managed and revised with budget transfers as necessary or practical to do so.

Significant Budget Transfers and Variations:

- TPAF, which is the state's contribution to the pension fund, is an "on-behalf" revenue and expenditure item to the district and is required to be reflected in the financial statements.
- Reallocations were made among the various salary budget accounts to reflect changes in the personnel budget for the 2024-2025 year.
- Transfers were made into purchased services for special education programs to provide funds for required additional services.

Based on the financial results of 2024-2025, unassigned fund balance decreased by (\$54,577) to \$1,244,841 (2% required per S-1701, net of allowable adjustments).

Proprietary Funds. The District's proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise Fund showed a change in net position of (\$223,092) in 2024-2025 as compared to a change in net position of \$168,651 in 2023-2024. The food service fund required no contributions from the Board in 2022-2023 or in the 2024-2025 year.

Capital Assets

At June 30, 2025 the District has capital assets of \$60,282,736, net of depreciation, which includes land, construction in progress, land improvements, buildings/construction, machinery and equipment.

	<u>June 30, 2025</u>	
	Governmental	Business-Type
	Activities	Activities
Land	\$ 6,849,273	\$ -
Buildings/Construction	47,000,106	135,529
Machinery and Equipment	4,572,794	502,334
Total	<u>\$ 59,644,873</u>	<u>\$ 637,863</u>
	<u>June 30, 2024</u>	
	Governmental	Business-Type
	Activities	Activities
Land	\$ 6,849,273	\$ -
Buildings/Construction	49,506,371	150,111
Machinery and Equipment	5,439,172	562,253
Total	<u>\$ 61,794,816</u>	<u>\$ 712,364</u>

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

Debt Administration and Other Obligations

As of June 30, 2025, the District had \$47,779,389 of outstanding debt. Of this amount, \$20,441,612 is for compensated absences, \$12,538,264 is for financed purchases, and \$14,799,513 is for a net pension liability.

Additional information on the District's debt administration and other obligations can be found in Note 7 to the basic financial statements.

Economic Factors and Subsequent Year's Budgets

- It is the opinion of the Superintendent and Business Administrator that the Marlboro Township School District has historically maintained and continues to maintain a strong financial position. This was confirmed by the rating by Standard and Poor's of the District bonds in October 2024. The District is proud of the community's support of its public schools.
- The Marlboro Township School District, along with many other public school districts in the State face a difficult economic future since the primary sources of funding are property tax revenue and state aid. As a result, the financial well being of the District is tied in large measure to the actions of the state legislature. Significant cuts in state funding and/or restrictions on the growth rate of the local property tax levy could have a substantial impact on the District's programs and services. The growth rate on local property taxes has been restricted to 2% which has become challenging due to rising costs associated with 5%-10% increases and new construction around Marlboro.
- In June 2018, the state legislature enacted legislation that impacted state aid to school districts across the State of New Jersey in a seven-year phase out of Adjustment Aid. Many districts saw increases and some saw decreases in state aid. Marlboro Township School District has lost approximately \$5 million over the last seven period. The 2024-2025 school year was the first year without any adjustment aid reductions where the district saw an increase in state aid due to rising enrollment.
- The district continues to focus on the long term facilities plans of providing Air conditioning to our elementary schools, with two more schools left to plan for. The district also continues to routinely budget for ongoing maintenance and improvements through the course of the school year to keep all facilities up to date and safe.
- With the continued concern of property taxes, it is important to highlight the areas of either shared services or buying cooperatives in an effort to reduce expenses. These areas include utilizing Educational Data Services for the purchase of classroom supplies, art supplies, maintenance supplies and copy paper. Gasoline and diesel fuel for all busses and maintenance vehicles is purchased through the Township. In June 2025, the district continued its cooperative pricing agreement with Marlboro Township, for the provision and performance of electric generation service for the benefit of the Marlboro Township taxpayers. The District continues with its participation in insurance pool for workers compensation insurance purchased from New Jersey School Insurance Group and the District's legal liability insurance is purchased from Zurich Insurance at significant savings from the previous year. The District is constantly looking for other costs savings measures, including exploring further opportunities for future purchases jointly with other districts within the Freehold Regional area. The District utilizes Colts Neck Board of Education for transportation routes and also has established new special education programs to receive special education children from neighboring school districts.
- In conclusion, the Marlboro Township School District has committed itself to financial excellence for many years. In addition, the District's system for financial planning, budgeting and internal financial controls are well regarded. We are pleased to report for a 23rd consecutive year, the district was awarded a Certificate of Excellence in Financial Reporting for the fiscal year ended June 30, 2024 by the Association of School Business Officials International. The District plans to continue its sound fiscal management practices to meet the challenges of the future.

Requests for Information

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 Christine Jelinsky, Acting School Business Administrator/Board Secretary, Marlboro Township Board of Education, 1980 Township Drive, Marlboro, NJ 07746 or e-mail cjelinsky@marlboro.k12.nj.us.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS:			
Cash & Cash Equivalents	\$ 1,713,764	\$ 560,847	\$ 2,274,611
Investments	5,021,356	-	5,021,356
Receivables, Net (Note 4)	1,968,427	32,870	2,001,297
Inventory	-	71,894	71,894
Restricted Cash & Cash Equivalents	6,612,909	-	6,612,909
Internal Balances	25,000	(25,000)	-
Capital Assets, Net (Note 5)			
Non-Depreciable	8,071,973	-	8,071,973
Depreciable	51,572,900	637,863	52,210,763
Total Assets	74,986,329	1,278,474	76,264,803
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	1,916,439	-	1,916,439
Total Deferred Outflow of Resources	1,916,439	-	1,916,439
LIABILITIES:			
Accounts Payable	1,277,335	105,240	1,382,575
Contracts Payable - Retainage	32,139	-	32,139
Due to Other Governments	1,455,348	-	1,455,348
Unearned Revenue	199,405	104,073	303,478
Accrued Interest	151,973	-	151,973
Accrued Salaries and Wages	2,384	-	2,384
Unemployment Trust Liability	74,422	-	74,422
Payroll Deductions and Withholdings	1,223,572	-	1,223,572
Noncurrent Liabilities (Note 7):			
Due Within One Year	936,786	-	936,786
Due in More Than One Year	46,842,602	-	46,842,602
Total Liabilities	52,195,966	209,313	52,405,279
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 8)	1,707,808	-	1,707,808
Total Deferred Inflow of Resources	1,707,808	-	1,707,808
NET POSITION:			
Net Investment in Capital Assets	47,106,609	637,863	47,744,472
Restricted for:			
Capital Projects (Note 3)	3,652,451	-	3,652,451
Maintenance Reserve (Note 3)	2,126,115	-	2,126,115
Unemployment Compensation (Note 3)	834,343	-	834,343
Student Activities	81,699	-	81,699
Scholarship	1,487	-	1,487
Technology Trust	10,802	-	10,802
Excess Surplus	3,295,780	-	3,295,780
Unrestricted (Deficit) (Note 18)	(34,110,293)	431,298	(33,678,995)
Total Net Position	\$ 22,998,993	\$ 1,069,161	\$ 24,068,154

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	CAPITAL GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular Instruction	\$ 53,545,442	\$ -	\$ 18,398,678	\$ -	\$ (35,146,764)	\$ -	\$ (35,146,764)
Special Education Instruction	23,724,454	-	7,593,293	-	(16,131,161)	-	(16,131,161)
Other Instruction	4,938,074	-	1,580,489	-	(3,357,585)	-	(3,357,585)
Support Services:							
Tuition	2,144,127	-	128,384	-	(2,015,743)	-	(2,015,743)
Student & Instruction Related Services	14,491,208	-	1,678,002	-	(12,813,206)	-	(12,813,206)
General Administrative	2,194,338	-	131,391	-	(2,062,948)	-	(2,062,948)
School Administrative Services	5,899,341	-	353,236	-	(5,546,105)	-	(5,546,105)
Central Services	1,033,422	-	61,878	-	(971,543)	-	(971,543)
Administrative Info. Technology	977,440	-	58,526	-	(918,913)	-	(918,913)
Plant Operations & Maintenance	11,573,550	-	751,910	-	(10,821,640)	-	(10,821,640)
Pupil Transportation	7,373,246	-	441,489	-	(6,931,757)	-	(6,931,757)
Interest & Other Charges	918,941	-	-	-	(918,941)	-	(918,941)
Total Governmental Activities	128,813,582	-	31,177,276	-	(97,636,306)	-	(97,636,306)
Business-Type Activities:							
Food Service	2,361,609	1,549,885	588,632	-	-	(223,092)	(223,092)
Total Business-Type Activities	2,361,609	1,549,885	588,632	-	-	(223,092)	(223,092)
Total Primary Government	\$ 131,175,191	\$ 1,549,885	\$ 31,765,908	\$ -	(97,636,306)	(223,092)	(97,859,398)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					85,592,873	-	85,592,873
Federal & State Aid Restricted					804,008	-	804,008
Federal & State Aid Not Restricted					8,633,898	-	8,633,898
Tuition Charges					222,588	-	222,588
Miscellaneous					939,099	-	939,099
Total General Revenues					96,192,466	-	96,192,466
Change In Net Position					(1,443,840)	(223,092)	(1,666,932)
Net Position - Beginning Restated (Note 20)					24,442,834	1,292,253	25,735,087
Net Position - Ending					\$ 22,998,993	\$ 1,069,161	\$ 24,068,154

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

B. Fund Financial Statements

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Governmental Funds

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2025**

	MAJOR FUNDS			TOTAL
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	GOVERNMENTAL FUNDS
ASSETS				
Cash & Cash Equivalents	\$ 2,282,759	\$ -	\$ -	\$ 2,282,759
Investments	5,021,356	-	-	5,021,356
Receivables, Net:				
Interfund Receivable	25,000	29,896	-	54,896
Due from Other Governments:				
Federal	-	431,624	-	431,624
State	839,373	-	595,200	1,434,573
Other	32,318	-	-	32,318
Other Accounts Receivable	42,068	27,844	-	69,912
Restricted Cash & Cash Equivalents	6,612,909	-	-	6,612,909
Total Assets	\$ 14,855,783	\$ 489,364	\$ 595,200	\$ 15,940,347
LIABILITIES & FUND BALANCES				
Liabilities:				
Cash Deficit	\$ -	\$ 259,373	\$ 309,622	\$ 568,995
Accounts Payable	1,210,292	67,043	-	1,277,335
Contracts Payable - Retainage	7,685	4,176	20,278	32,139
Intergovernmental Payable:				
State	-	27,844	-	27,844
Interfund Payable	29,896	-	-	29,896
Unearned Revenue	162,465	36,940	-	199,405
Accrued Salaries and Wages	2,384	-	-	2,384
Unemployment Trust Liability	74,422	-	-	74,422
Payroll Deductions and Withholdings	1,223,572	-	-	1,223,572
Total Liabilities	2,710,716	395,376	329,900	3,435,992
Fund Balances:				
Restricted for:				
Capital Reserve	3,652,451	-	-	3,652,451
Maintenance Reserve	2,126,115	-	-	2,126,115
Excess Surplus	1,093,719	-	-	1,093,719
Excess Surplus Designated for Subsequent Year	2,202,061	-	-	2,202,061
Capital Projects	-	-	-	-
Reserve for Unemployment Claims	834,343	-	-	834,343
Scholarships	-	1,487	-	1,487
Student Activities	-	81,699	-	81,699
Technology Trust	-	10,802	-	10,802
Committed to:				
Other Purposes	-	-	265,300	265,300
Assigned to:				
Designated for Subsequent Year	584,732	-	-	584,732
Other Purposes	406,805	-	-	406,805
Unassigned	1,244,841	-	-	1,244,841
Total Fund Balances	12,145,067	93,988	265,300	12,504,355
Total Liabilities & Fund Balances	\$ 14,855,783	\$ 489,364	\$ 595,200	
Amounts reported for <i>governmental activities</i> 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 \$131,636,746 and the accumulated depreciation is \$71,991,873.				59,644,873
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and therefore are not reported in the funds.				
Deferred Outflows Related to Pensions				1,916,439
Deferred Inflows Related to Pensions				(1,707,808)
Accrued interest on long-term debt is not due and payable in the current period and therefore is not reported as a liability in the funds.				(151,973)
Accrued pension contributions for the June 30, 2025 plan year are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.				(1,427,504)
Long-term liabilities, including net pension liability, financed purchases and bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.				(47,779,389)
Net Position of Governmental Activities				<u>\$ 22,998,993</u>

**MARLBORO TOWNSHIP SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2025**

	MAJOR FUNDS			
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
Revenues:				
Local Sources:				
Local Tax Levy	\$ 85,592,873	\$ -	\$ -	\$ 85,592,873
Tuition Charges	222,588	-	-	222,588
Miscellaneous	939,099	351,648	-	1,290,747
Total Local Sources	86,754,560	351,648	-	87,106,208
State Sources	31,361,252	423,814	595,200	32,380,266
Federal Sources	24,201	1,504,478	-	1,528,679
Total Revenues	118,140,013	2,279,940	595,200	121,015,153
Expenditures:				
Instruction:				
Regular Instruction	27,130,101	1,261,267	-	28,391,368
Special Education Instruction	12,579,403	-	-	12,579,403
Other Instruction	2,618,312	-	-	2,618,312
Support Services:				
Tuition	1,571,917	-	-	1,571,917
Attendance & Social Work Services	1,008,893	-	-	1,008,893
Health Services	1,108,867	-	-	1,108,867
Student & Instruction Related Services	7,695,822	810,309	-	8,506,131
General Administrative	1,608,728	-	-	1,608,728
School Administrative Services	4,324,964	-	-	4,324,964
Central Services	757,629	-	-	757,629
Administrative Information Technology	716,587	-	-	716,587
Plant Operations & Maintenance	10,138,361	-	-	10,138,361
Pupil Transportation	5,405,523	-	-	5,405,523
Unallocated Benefits	19,344,306	-	-	19,344,306
On Behalf TPAF Pension and Social Security Contributions	22,751,555	-	-	22,751,555
Capital Outlay	339,909	208,808	1,013,892	1,562,609
Total Expenditures	119,100,877	2,280,384	1,013,892	122,395,153
Excess/(Deficiency) of Revenues Over Expenditures	(960,864)	(444)	(418,692)	(1,380,000)
Other Financing Sources (Uses):				
Transfers In	-	-	683,992	683,992
Transfers Out	(683,992)	-	-	(683,992)
Total Other Financing Sources (Uses)	(683,992)	-	683,992	-
Net Changes in Fund Balances	(1,644,856)	(444)	265,300	(1,380,000)
Fund Balance, July 1	13,789,923	94,432	-	13,884,355
Fund Balance, June 30	\$ 12,145,067	\$ 93,988	\$ 265,300	\$ 12,504,355

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

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

Total Net Changes in Fund Balances - Governmental Funds (B-2) \$ (1,380,000)

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 depreciation exceeded capital outlays in the period.

Depreciation Expense	\$	(3,553,175)	
Capital Outlays		1,403,232	
			(2,149,943)

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.

1,336,140

Repayment of long-term debt principal and obligation of lease purchase agreements are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

1,143,361

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation (+).

13,157

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

(406,555)

Change in Net Position of Governmental Activities

\$ (1,443,840)

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Proprietary Funds

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EXHIBIT B-4

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

	MAJOR FUNDS BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS FOOD SERVICE
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 560,847
Accounts Receivable:	
Federal	20,854
State	1,803
Other Receivables	10,213
Inventories	71,894
Total Current Assets	665,611
Noncurrent Assets:	
Capital Assets	1,370,380
Less: Accumulated Depreciation	(732,517)
Total Capital Assets, Net	637,863
Total Noncurrent Assets	637,863
Total Assets	1,303,474
LIABILITIES	
Current Liabilities:	
Accounts Payable	105,240
Unearned Revenue	104,073
Interfund Payable	25,000
Total Current Liabilities	234,313
NET POSITION	
Net Investment in Capital Assets	637,863
Unrestricted	431,298
Total Net Position	\$ 1,069,161

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

EXHIBIT B-5

**MARLBORO TOWNSHIP SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 YEAR ENDED JUNE 30, 2025**

	MAJOR FUNDS BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS FOOD SERVICE
Operating Revenues:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 848,919
Daily Sales - Non-Reimbursable Programs	655,528
Special Functions	45,438
Total Operating Revenues	1,549,885
Operating Expenses:	
Cost of Sales - Reimbursable Programs	460,997
Cost of Sales - Non-Reimbursable Programs	427,600
Salaries	1,183,049
Supplies and Materials	105,085
Depreciation	83,228
Management and Administrative Fees	101,650
Total Operating Expenses	2,361,609
Operating Income/(Loss)	(811,724)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	33,302
State School Breakfast Program	175
Summer EBT Administrative Cost Aid	322
Federal Sources:	
National School Lunch Program	374,664
National School Breakfast Program	475
Summer EBT Administrative Cost Aid	322
Food Distribution Program	179,372
Total Nonoperating Revenues/(Expenses)	588,632
Change in Net Position	(223,092)
Total Net Position - Beginning	1,292,253
Total Net Position - Ending	\$ 1,069,161

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

**MARLBORO TOWNSHIP SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2025**

	<u>MAJOR FUNDS</u> <u>BUSINESS-TYPE</u> <u>ACTIVITIES -</u> <u>ENTERPRISE</u> <u>FUNDS</u> <u>FOOD</u> <u>SERVICE</u>
Cash Flows From Operating Activities:	
Receipts from Customers	\$ 1,540,835
Payments to Employees	(1,183,049)
Payments to Suppliers	<u>(924,764)</u>
Net Cash Provided by/(Used for) Operating Activities	<u>(566,978)</u>
Cash Flows From Noncapital Financing Activities:	
State Sources	33,799
Federal Sources	<u>375,461</u>
Net Cash Provided by/(Used for) Noncapital Financing Activities	<u>409,260</u>
Cash Flows From Capital & Related Financing Activities:	
Purchases of Capital Assets	<u>(8,457)</u>
Net Cash Provided by/(Used for) Capital & Related Financing Activities	<u>(8,457)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	(166,175)
Balances - Beginning of Year	<u>727,022</u>
Balances - End of Year	<u><u>\$ 560,847</u></u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:	
Operating Income/(Loss)	\$ (811,724)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:	
Depreciation	83,228
Food Distribution Program	179,372
(Increase)/Decrease in Accounts Receivable, Net	(8,394)
(Increase)/Decrease in Inventories	645
Increase/(Decrease) in Unearned Revenue	(656)
Increase/(Decrease) in Accounts Payable	<u>(9,449)</u>
Total Adjustments	<u>244,746</u>
Net Cash Provided/(Used) by Operating Activities	<u><u>\$ (566,978)</u></u>

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

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Fiduciary Fund

Not Applicable

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MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2025

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MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

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

Reporting Entity

The School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members' terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades K through 8 at its eight instructional buildings and operates a transportation depot, buildings and grounds office, and an administrative building. The School District has an approximate enrollment at June 30, 2025 of 4,503 and is one of the largest K through 8 districts in Monmouth County.

The primary criterion for including activities within the School 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 School District holds the corporate powers of the organization;
- ◆ the School District appoints a voting majority of the organization's board
- ◆ the School District is able to impose its will on the organization;
- ◆ the organization has the potential to impose a financial benefit/burden on the School District
- ◆ there is a fiscal dependency by the organization on the School District.

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

Component Units

GASB Statement No. 14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity - Omnis - an Amendment of GASB Statements No. 14* and No. 34, GASB Statement No. 80, *Blending Requirements for certain component Units - an Amendment of GASB Statement No. 14* and GASB Statement No. 97, *Certain Component Unit Criteria and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan - an Amendment of GASB Statements No. 14 and No. 84*. The School District had no component units as of for the year ended June 30, 2025.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental 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.

A. Government-Wide Financial Statements

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

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

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

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The School District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the School District, are property tax and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District’s policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District’s policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

The School District reports the following major governmental funds:

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

As required by the New Jersey Department of Education the School 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.

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

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 proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

C. Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated.

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

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

The School District reports the following major proprietary funds:

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

D. Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The School District's fiduciary funds include Custodial Funds which are used to report fiduciary activities where the School District controls assets that are collected on behalf of these entities. These assets are held in a trust and are distributed in accordance with applicable policies. The Custodial Funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting in accordance with GASBS No. 84, *Fiduciary Activities*.

The School District reports no fiduciary funds.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Budgets/Budgetary Control

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

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

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

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

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

Encumbrances

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

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Cash, 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 considered cash equivalents and stated at cost.

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents.

Property Taxes

Ad valorem (property) taxes are susceptible to accrual. As under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The School District records the entire approved tax levy as revenue (accrued) at the state of the fiscal year since the revenue is both measurable and available. The School District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable." The Township of Marlboro annually levies taxes based on assessed value and collects taxes on a quarterly basis, commencing February 1 and subsequently on May 1, August 1 and November 1 of the calendar year. Property taxes not collected as of November 1 are deemed delinquent and subject to lien. Tax liens are issued subsequent to April 1 of the succeeding year if property taxes remain delinquent.

Tuition Receivable/Payable

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

Inventories

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

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair market value at the date of donation. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	10-20 Years	N/A
Building and improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. In accordance with GASB Statement No. 101, *Compensated Absences*, liabilities for compensated absences are recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

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

Unearned Revenue

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Accrued Liabilities and Long-Term Obligations

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

Accounting Estimates

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

Interfund Activity

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

Deferred Outflows and Deferred Inflows of Resources

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Deferred Loss on Refunding Debt

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

Bond Premiums, Discounts and Issuance Costs

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

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

Pensions & Other Post-Employment Benefits Section

For purposes of measuring the net pension and other post-employment benefits liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and other post-employment benefits, and pension and other-post employment benefits expenses, information about the fiduciary net position of the Public Employees' Retirement System (PERS), the Teachers' Pension and Annuity Fund (TPAF), the Other Post-Employment Benefits (OPEB) and additions to/deductions from the PERS's, TPAF's and OPEB's fiduciary net position have been determined on the same basis as they are reported by the plan. For these purposes, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

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

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the School District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the School District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

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

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

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

Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2025 and January 15, 2026, the date that the financial statements were available for issuance, for possible disclosure and recognition in the financial statements, and no items have come to the attention of the School District that would require disclosure.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 1. Summary of Significant Accounting Policies (Continued)

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

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

- Statement No. 101, *Compensated Absences*. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. Implementation of this Statement resulted in a prior period adjustment and additional footnotes. See Note 14 and Note 20 for further detail.
- Statement No. 102, *Certain Risk Disclosures*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. Management has determined the implementation of this Statement did not have a significant impact on the District's financial statements.

Accounting Pronouncements Effective in Future Reporting Periods

- Statement No. 103, *Financial Reporting Model Improvements*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.
- Statement No. 104, *Disclosure of Certain Capital Assets*. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025.

Management has not yet determined the potential impact on the District's financial statements.

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2025, the School District's bank balance of \$9,263,770 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 6,527,982
Uninsured and Uncollateralized	<u>2,735,788</u>
Total	<u><u>\$ 9,263,770</u></u>

Investments

<u>Investment Type</u>	<u>Fair Value</u>	<u>Carrying Value</u>	<u>Investment Maturities (in Years)</u>			
			<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>6-10 Years</u>	<u>Over 10 Years</u>
NJ Asset & Rebate Management	<u>\$ 5,021,356</u>	<u>\$ 5,021,356</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,021,356</u>

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 3. Reserve Accounts

Capital Reserve

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

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

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

Beginning Balance, July 1, 2024	\$ 3,444,451
Increased by:	
Interest Earnings	8,000
Deposits Approved by Board	1,300,000
	4,752,451
Decreased by:	
Budget Withdrawals	(1,100,000)
	(1,100,000)
Ending Balance, June 30, 2025	\$ 3,652,451

Maintenance Reserve

The School District established a maintenance reserve account in June of 1997 for the accumulation of funds for use as required maintenance of a facility in subsequent fiscal years.

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

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	\$ 3,618,115
Increased by:	
Interest Earnings	8,000
	3,626,115
Decreased by:	
Budget Withdrawals	(1,500,000)
	(1,500,000)
Ending Balance, June 30, 2025	\$ 2,126,115

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 3. Reserve Accounts (Continued)

Unemployment Claim Reserve

Unemployment Claim Reserve funds are restricted pursuant to *N.J.S.A. 43:21-7.3(g)*, which requires that employer and employee contributions be held in a trust fund maintained by the governmental entity or instrumentality for unemployment benefit cost purposes and any surplus remaining in this trust fund must be retained in reserve for payment of benefit costs in subsequent years.

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

Beginning Balance, July 1, 2024	\$ 734,343
Increased by:	
Board Contributions	100,000
Ending Balance, June 30, 2025	<u>\$ 834,343</u>

Note 4. Accounts Receivable

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

<u>Description</u>	<u>Governmental Funds</u>			<u>Total Governmental Activities</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	
Federal Awards	\$ -	\$ 431,624	\$ -	\$ 431,624
State Awards	839,373	-	595,200.00	1,434,573
Other	74,386	27,844	-	102,230
Total	<u>\$ 913,759</u>	<u>\$ 459,468</u>	<u>\$ 595,200</u>	<u>\$ 1,968,427</u>

<u>Description</u>	<u>Proprietary Funds</u>	<u>Total Business-Type Activities</u>
	<u>Food Service Fund</u>	
Federal Awards	\$ 20,854	\$ 20,854
State Awards	1,803	1,803
Other	10,213	10,213
Total	<u>\$ 32,870</u>	<u>\$ 32,870</u>

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 5. Capital Assets

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

	Governmental Activities			
	Balance July 1, <u>2024</u>	<u>Additions</u>	Retirements and Adjustments	Balance June 30, <u>2025</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 6,849,273	\$ -	\$ -	\$ 6,849,273
Construction in Progress	-	1,222,700	-	1,222,700
Total Capital Assets not being depreciated	6,849,273	1,222,700	-	8,071,973
Capital Assets being depreciated:				
Buildings and Improvements	108,375,360	45,208	-	108,420,568
Equipment	15,008,881	135,324	-	15,144,205
Total Capital Assets being depreciated	123,384,241	180,532	-	123,564,773
Less: Accumulated Depreciation:				
Buildings and Improvements	(58,868,989)	(2,551,473)	-	(61,420,462)
Equipment	(9,569,709)	(1,001,702)	-	(10,571,411)
Total Accumulated Depreciation	(68,438,698)	(3,553,175)	-	(71,991,873)
Total Capital Assets being depreciated, net	54,945,543	(3,372,643)	-	51,572,900
Total Governmental Activities Capital Assets, net	\$ 61,794,816	\$ (2,149,943)	\$ -	\$ 59,644,873
	Business-Type Activities			
	Balance July 1, <u>2024</u>	<u>Additions</u>	Retirements and Adjustments	Balance June 30, <u>2025</u>
Business-Type Activities				
Capital Assets being depreciated:				
Buildings	\$ 364,554	\$ -	\$ -	\$ 364,554
Equipment	997,369	8,457	-	1,005,826
Total Capital Assets being depreciated	1,361,923	8,457	-	1,370,380
Less: Accumulated Depreciation:				
Buildings	(214,443)	(14,582)		(229,025)
Equipment	(434,846)	(68,646)		(503,492)
Total Accumulated Depreciation	(649,289)	(83,228)	-	(732,517)
Total Capital Assets being depreciated, net	712,634	(74,771)	-	637,863
Total Business-Type Activities Capital Assets, net	\$ 712,634	\$ (74,771)	\$ -	\$ 637,863

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 5. Capital Assets (Continued)

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

Governmental Activities

Instruction:

Regular Instruction	\$ 1,296,576
Special Education Instruction	574,475
Other Instruction	119,573

Support Services:

Tuition	71,787
Student & Instruction Related Services	485,171
General Administrative	73,467
School Administrative Services	197,512
Central Services	34,599
Administrative Info. Technology	32,725
Plant Operations & Maintenance	420,431
Pupil Transportation	246,859

Total Depreciation Expense - Governmental Activities	\$ 3,553,175
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Note 6. Interfund Receivables, Payables and Transfers

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

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 25,000	\$ 29,896
Special Revenue Fund	29,896	-
Food Service Fund	-	25,000
	\$ 54,896	\$ 54,896

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

The summary of interfund transfers are as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ -	\$ 683,992
Capital Projects Fund	683,992	-
	\$ 683,992	\$ 683,992

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to fund that statute or budget requires to expend them (i.e. interest earning), (2) provide cash flow to other funds to temporary finance expenditures that are on a reimbursable basis (i.e. grants), (3) when no bank account exists for a fund, and (4) utilizing surplus or fund balance from one fund as budgeted revenue in another.

**MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)**

Note 7. Long-Term Obligations

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

	Balance June 30, 2024	Additions	Reductions	Balance June 30, 2025	Balance Due Within One Year
Governmental Activities:					
Financed Purchases	\$ 13,681,625	\$ -	\$ 1,143,361	\$ 12,538,264	\$ 936,786
Compensated Absences (As Restated, Note 20)	20,035,056	406,555	-	20,441,612	-
Net Pension Liability	16,368,710	2,140,796	3,709,993	14,799,513	-
	<u>\$ 50,085,391</u>	<u>\$ 2,547,351</u>	<u>\$ 4,853,354</u>	<u>\$ 47,779,389</u>	<u>\$ 936,786</u>

For governmental activities, compensated absences, financed purchases, and the net pension liability are liquidated by the general fund.

Financing Agreement Obligations

The School District executed a financed purchase agreement for an Energy Savings Improvement Plan (ESIP) on November 8, 2019 valued at \$15,250,000 of which \$3,158,000 has matured and been repaid.

The School District executed a financed purchase agreement for Copiers on November 3, 2021 valued at \$172,972 of which \$161,294 has matured and been repaid.

The School District executed a financed purchase agreement for Buses and Vans on November 15, 2021 valued at \$668,071 of which \$532,817 has matured and been repaid.

The School District executed a financed purchase agreement for Buses and Vans on November 1, 2022 valued at \$733,000 of which \$433,668 has matured and been repaid.

The following is a schedule of remaining payments under this financing agreements at June 30, 2025:

Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 936,786	\$ 244,150	\$ 1,180,936
2027	826,478	224,516	1,050,994
2028	707,000	205,803	912,803
2029	745,000	192,299	937,299
2030	780,000	178,069	958,069
2031-2035	4,469,000	652,780	5,121,780
2036-2040	4,074,000	239,934	4,313,934
Total	<u>\$ 12,538,264</u>	<u>\$ 1,937,551</u>	<u>\$ 14,475,815</u>

Amortization of the leased equipment and improvements under financed purchases is included with depreciation expense.

Bonds Authorized but not Issued

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

Basis of Presentation - The schedule of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS, its participating employers or the State of New Jersey (the State) as a nonemployer contributing entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS, its participating employers, or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For the fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

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

Components of Net Pension Liability - At June 30, 2025, the School District's proportionate share of the net pension liability was \$14,799,513. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The School District's proportion measured as of June 30, 2024, was 0.1089156834%, which was a decrease of 0.00409381% from its proportion measured as of June 30, 2023.

Pension Expense/(Credit) and Deferred Outflows/Inflows of Resources - For the year ended June 30, 2025, the School District's proportionate share of the PERS expense/(credit), calculated by the plan as of June 30, 2024 is \$166,723. This expense/(credit) is recognized by the School District in the government-wide financial statements.

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 296,462	\$ 39,400
Changes of Assumptions	18,386	168,384
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	686,213
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	174,087	813,811
School District contributions subsequent to measurement date	1,427,504	-
	<u>\$ 1,916,439</u>	<u>\$ 1,707,808</u>

\$1,427,504 is reported as deferred outflows of resources resulting from school district contributions subsequent to the measurement date is estimated based on unadjusted 2024-2025 total salaries for PERS employees multiplied by an employer pension contribution rate of 16.36%. The payable is due on April 1, 2026 and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. The other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

Year Ending June 30,	
2026	\$ (756,296)
2027	358,254
2028	(407,666)
2029	(289,426)
2030	(123,739)
	\$ (1,218,873)

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

Additionally, the State has no proportionate share of the PERS net pension liability attributable to the District as of June 30, 2025. At June 30, 2025, the State's proportionate share of the PERS expense, associated with the District, calculated by the plan as of the June 30, 2024 measurement date was \$47,414.

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

Inflation:	
Price	2.75%
Wage	3.25%
Salary Increases:	
	2.75% - 6.55% Based on Years of Service
Investment Rate of Return	7.00%

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.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
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%
	<u>100.00%</u>	

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 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.

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
School District's Proportionate Share of the Net Pension Liability	\$ 19,830,445	\$ 14,799,513	\$ 10,748,807

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2025 and 2024:

	<u>6/30/2025</u>	<u>6/30/2024</u>
Actuarial Valuation Date	June 30, 2024	June 30, 2023
Deferred Outflows of Resources	\$ 488,935	\$ 666,045
Deferred Inflows of Resources	1,707,808	1,651,861
Net Pension Liability	14,799,513	16,368,710
School District's portion	0.1089%	0.1130%

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description - TPAF is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by State of New Jersey, Division of Pension and Benefits (the Division). For additional information about TPAF, please refer to the Division's annual financial statements which can be found at www.nj.gov/treasury/pensions/annual-reports.shtml.

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

The following represents the membership tiers for TPAF:

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

Basis of Presentation - The schedule of employer and nonemployer allocations and the schedule of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State. The accompanying Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

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

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

Components of Net Pension Liability - At June 30, 2025, the State's proportionate share of the TPAF net pension liability, attributable to the School District was \$178,364,498. The School District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2024, the State proportionate share of the TPAF net pension liability attributable to the School District was 0.3608783280%, which was an increase of 0.0024059900% from its proportion measured as of June 30, 2023.

For the fiscal year ended June 30, 2025, the State of New Jersey recognized a pension expense in the amount of (\$650,646) for the State's proportionate share of the TPAF pension expense attributable to the School District. This pension expense was based on the pension plans June 30, 2024 measurement date.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

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

Inflation Rate:	
Price	2.75%
Wage	3.25%
Salary Increases: 2.75% - 4.25% Based on Years of Service	
Investment Rate of Return	7.00%

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

The actuarial assumption 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, 2022.

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 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:

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

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

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

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

	At 1% Decrease (6.00%)	At Current Discount Rate (7.00%)	At 1% Increase (8.00%)
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 212,011,456	\$ 178,364,498	\$ 150,027,398

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 8. Pension Plans (Continued)

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2025 and 2024:

	<u>06/30/25</u>	<u>06/30/24</u>
Actuarial Valuation Date	June 30, 2024	June 30, 2023
Collective Deferred Outflows of Resources	\$ 1,178,433,819	\$ 2,502,380,838
Collective Deferred Inflows of Resources	10,615,423,132	14,830,205,473
Collective Net Pension Liability	49,492,072,325	51,109,961,824
School District's portion	0.36088%	0.35847%

B. Defined Contribution Retirement Plan (DCRP)

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

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in PERS or TPAF on or after July 1, 2007, who earn salary in excess of established “maximum compensation” limits;
- Employees enrolled in the Police and Firemen’s Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established “maximum compensation” limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees.

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

For the year ended June 30, 2025, employee contributions totaled \$84,492, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$62,165.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 9. Post-Retirement Benefits

General Information about the OPEB Plan

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

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

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

Basis of Presentation

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

**MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)**

Note 9. Other Post-Retirement Benefits (continued)

Total Nonemployer OPEB Liability

The total nonemployer OPEB liability of \$59,650,630,530 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:

	<u>TPAF/ABP</u>	<u>PERS</u>	<u>PFRS</u>
Salary Increases:			
Through 2026	2.75% to 4.25%	2.75% to 6.55%	3.25% to 16.25%
	based on years of service	based on years of service	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 the 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 the 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 the Scale MP-2021 for current disabled retirees. Future disabled retirees were based on Pub-2010 "Safety" (PFRS), "General" (PERS), and "Teachers" (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

The actuarial assumptions used in the July 1, 2023 valuation were based on the results of the TPAF, PERS and PFRS experience studies prepared for July 1, 2018 to June 30, 2022.

OPEB Obligations and OPEB Expense - The State's proportionate share of the total Other Post Employment Benefits Obligations, attributable to the School District as of June 30, 2024 was \$216,453,037. The School District's proportionate share was \$0.

The OPEB Obligation was measured as of June 30, 2024, and the total OPEB Obligation used to calculate the OPEB Obligation was determined by an actuarial valuation as of July 1, 2023, which was rolled forward to June 30, 2024. The State's proportionate share of the OPEB Obligation associated with the District was based on projection of the State's long-term contributions to the OPEB plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2024, the State proportionate share of the OPEB Obligation attributable to the School District was 0.36286798%, which was a decrease of (0.00219542%) from its proportion measured as of June 30, 2023.

For the fiscal year ended June 30, 2025, the State of New Jersey recognized an OPEB expense in the amount of \$8,412,125 for the State's proportionate share of the OPEB expense attributable to the School District. This OPEB expense was based on the OPEB plans June 30, 2024 measurement date.

Health Care Trend Assumptions

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 9. Other Post-Retirement Benefits (continued)

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.

Sensitivity of Total Nonemployer OPEB Liability to changes in 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% Decrease (2.93%)	At Discount Rate (3.93%)	At 1% Increase (4.93%)
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 253,512,863	\$ 216,453,037	\$ 186,649,244
State of New Jersey's Total Nonemployer OPEB Liability	\$ 69,863,663,542	\$ 59,650,630,530	\$ 51,437,232,141

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

The following presents the total nonemployer OPEB liability as of June 30, 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% Decrease	Healthcare Cost Trend Rate	1% Increase
State of New Jersey's Proportionate Share of Total OPEB Obligations Associated with the School District	\$ 181,218,354	\$ 216,453,037	\$ 264,867,789
State of New Jersey's Total Nonemployer OPEB Liability	\$ 49,689,409,509	\$ 59,350,630,530	\$ 72,625,778,279

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 9. Other Post-Retirement Benefits (continued)

Additional Information

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

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

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

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 9. Other Post-Retirement Benefits (continued)

Plan Membership

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

Active Plan Members	219,185
Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	<u>153,556</u>
	<u><u>372,741</u></u>

Changes in the Total OPEB Liability

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

Total OPEB Liability

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

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

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers' Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2025, the on-behalf payments for pension, social security, post-retirement medical costs, and long-term disability were \$15,048,478, \$3,299,578, \$4,397,177, and \$6,322, respectively.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 11. Risk Management

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

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

<u>Fiscal Year</u>	<u>Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>	
			<u>Restricted Unemployment Fund Balance</u>	<u>Unemployment Trust Liability</u>
2025	\$ 100,000	\$ 100,578	\$ 834,343	\$ 74,422
2024	175,000	14,518	734,343	175,000
2023	-	51,857	748,861	-

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

Joint Insurance Pool – The School District also participates in the Monmouth and Ocean County Shared Services Insurance Fund. The Fund provides its members with the following coverage:

Workers' Compensation

Note 12. Contingencies

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

Litigation – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 12. Contingencies (Continued)

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

Note 13. Deferred Compensation

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

AXA Equitable
Metlife Securities, Inc.

Variable Annuity Life Insurance Co. (VALIC)
Security Benefits

Note 14. Compensated Absences

GASB Statement No. 101, *Compensated Absences*, requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. The liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

School 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 policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement, employees shall be paid by the School District for the unused sick leave in accordance with the School District's agreements with various employee unions. However, a liability is recognized under GASB 101 to the extent such leave is expected to be used as time off.

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. It is estimated that accrued benefits for compensated absences, in accordance with GASB Statement No. 101, are valued at \$20,441,612 at June 30, 2025. This estimate includes leave that is expected to be paid upon separation from service, and vacation and sick leave to the extent that such leave is more likely than not to be used by employees as paid time off, based on historical usage patterns.

The School District adopted GASB Statement No. 101 during the year ended June 30, 2025. As a result, the compensated absences liability disclosed above reflects the revised recognition criteria under this standard. Implementation of this Statement resulted in a Prior Period Adjustment. See Note 20 for further detail.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)

Note 15. Tax Abatements (Continued)

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

Note 16. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2025 was \$1,093,719.

Note 17. Fund Balances

General Fund – Of the \$12,145,067 General Fund fund balance at June 30, 2025, \$3,652,451 has been restricted for the Capital Reserve Account; \$2,126,115 has been restricted for the Maintenance Reserve Account; \$834,343 has been restricted for unemployment claims; \$1,093,719 has been restricted for current year excess surplus; \$2,202,061 is restricted for prior year excess surplus – designated for subsequent year's expenditures; \$584,732 has been assigned - designated for subsequent year's expenditures; \$406,805 has been assigned to other purposes; and \$1,244,841 is unassigned.

Special Revenue Fund – Of the \$93,988 Special Revenue Fund fund balance at June 30, 2025, \$1,487 is restricted for scholarships; \$81,699 is restricted for student activities; and \$10,802 is restricted for technology trust.

Note 18. Deficit in Net Position

Unrestricted Net Position – The School District governmental activities had a deficit in unrestricted net position in the amount of \$34,110,293 at June 30, 2025. The primary causes of this deficit is the School District not recognizing the receivable for the last two state aid payments and the recording of the net pension liability for the Public Employee's Retirement System (PERS) as of June 30, 2025. This deficit in unrestricted net position for governmental activities does not indicate that the School District is facing financial difficulties.

Note 19. Commitments

The District has contractual commitments as of June 30, 2025 to various vendors, which are recorded in the General Fund as Fund Balance Assigned to Other Purposes in the amount of \$406,805.

**MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2025 (Continued)**

Note 20. Prior Period Adjustment/Restatement of Net Position

Net Position as of July 1, 2024, has been restated as follows for the implementation of GASB Statement No.

Net Position as previously reported at June 30, 2024	\$ 41,984,926
Prior Period Adjustment- Implementation of GASB 101: Non-Current Liabilities	<u>(17,542,092)</u>
Total Prior Period Adjustment	<u>(17,542,092)</u>
Net Position as restated, July 1, 2024	<u><u>\$ 24,442,834</u></u>

Long-Term Liabilities of the Governmental Funds as of July 1, 2024, has been restated as follows for the

Long-Term Liabilities as previously reported at June 30, 2024	\$ 32,543,299
Prior Period Adjustment- Implementation of GASB 101: Non-Current Liabilities	<u>17,542,092</u>
Total Prior Period Adjustment	<u>17,542,092</u>
Long-Term Liabilities as restated, July 1, 2024	<u><u>\$ 50,085,391</u></u>

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025**

ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 85,592,873	\$ -	\$ 85,592,873	\$ -
Tuition From Individuals	240,000	-	240,000	(17,412)
Rents and Royalties	80,000	-	80,000	(9,907)
Sale of Property	-	-	-	20,000
Unrestricted Miscellaneous Revenues	566,186	-	566,186	266,820
Interest Earned on Maintenance Reserve	8,000	-	8,000	-
Interest Earned on Capital Reserve Funds	8,000	-	8,000	-
Total Local Sources	86,495,059	-	86,495,059	259,501
State Sources:				
Categorical Transportation Aid	1,189,069	-	1,189,069	-
Extraordinary Aid	550,000	-	550,000	(75,654)
Categorical Special Education Aid	3,934,546	-	3,934,546	-
Equalization Aid	2,584,696	-	2,584,696	-
Categorical Security Aid	349,448	-	349,448	-
Other State Aids	-	-	-	107,530
State Reimbursements for Lead Testing of Drinking Water	-	-	-	12,020
State Reimbursements for Menstrual Products	-	-	-	13,712
Nonbudgeted:				
TPAF Pension (on-behalf)	-	-	-	15,048,478
TPAF Social Security (reimbursed)	-	-	-	3,299,578
TPAF Post Retirements	-	-	-	4,397,177
TPAF Long-Term Disability Insurance (on behalf)	-	-	-	6,322
Total State Sources	8,607,759	-	8,607,759	22,809,163
Federal Sources:				
Medicaid Reimbursement	43,331	-	43,331	(19,130)
Total Federal Sources	43,331	-	43,331	(19,130)
Total Revenues	95,146,149	-	95,146,149	23,049,533

**MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2025		VARIANCE FINAL TO ACTUAL
			BUDGET TRANSFERS	FINAL BUDGET	
Current Expense:					
Regular Programs - Instruction:					
Preschool - Salaries of Teachers	11-105-100-101	281,855	(15,415)	266,440	1
General Supplies	11-105-100-610	74,160	(74,160)	-	-
Kindergarten - Salaries of Teachers	11-110-100-101	1,930,280	(16,410)	1,913,870	4,714
Grades 1-5 - Salaries of Teachers	11-120-100-101	12,076,976	(141,161)	11,935,815	49,856
Grades 6-8 - Salaries of Teachers	11-130-100-101	10,815,765	(345,701)	10,470,064	130,877
Regular Programs - Home Instruction:					
Salaries of Teachers	11-150-100-101	12,000	29,000	41,000	37
Purchased Professional - Educational Services	11-150-100-320	6,000	19,000	25,000	2,674
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	11-190-100-106	442,576	228,119	670,695	15,562
Purchased Professional - Educational Services	11-190-100-320	15,490	(3,990)	11,500	3,175
Other Purchased Services	11-190-100-500	650,846	288,071	938,917	15,066
General Supplies	11-190-100-610	922,225	(214,302)	707,923	23,076
Textbooks	11-190-100-640	387,833	5,556	393,389	1,250
Other Objects	11-190-100-800	2,000	25	2,025	249
Total Regular Programs - Instruction		27,618,006	(241,368)	27,376,638	246,537
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	11-204-100-101	1,076,009	53,799	1,129,808	2,450
Other Salaries for Instruction	11-204-100-106	494,636	(65,249)	429,387	158
Other Purchased Services	11-204-100-500	18,343	44,700	63,043	3,717
General Supplies	11-204-100-610	13,500	(4,000)	9,500	3,738
Textbooks	11-204-100-640	1,500	(1,500)	-	-
Total Learning and/or Language Disabilities		1,603,988	27,750	1,631,738	10,063
Special Education - Instruction:					
Multiple Disabilities:					
Salaries of Teachers	11-212-100-101	363,242	(5,719)	357,523	1,162
Other Salaries for Instruction	11-212-100-106	291,848	130,122	421,970	804
Other Purchased Services	11-212-100-500	12,620	20,180	32,800	6,383
General Supplies	11-212-100-610	4,450	1,700	6,150	1,407
Total Multiple Disabilities		672,160	146,283	818,443	9,756

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Special Education - Instruction: Resource Room/Resource Center:					
Salaries of Teachers	11-213-100-101	7,314,331	68,492	7,382,823	8,588
Other Purchased Services	11-213-100-500	104,465	59,750	164,215	1,048
General Supplies	11-213-100-610	48,315	(10,300)	38,015	10,332
Textbooks	11-213-100-640	8,000	-	8,000	-
Total Resource Room/Resource Center		7,475,111	117,942	7,593,053	19,968
Special Education - Instruction: Autism:					
Salaries of Teachers	11-214-100-101	564,183	(154,371)	409,812	5,594
Other Salaries for Instruction	11-214-100-106	562,734	(128,122)	434,612	7,064
Other Purchased Services	11-214-100-500	25,620	35,778	61,398	2,685
General Supplies	11-214-100-610	9,850	-	9,850	3,169
Total Autism		1,162,387	(246,715)	915,672	18,512
Special Education - Instruction: Preschool Disabilities - Full-Time:					
Salaries of Teachers	11-216-100-101	820,421	(35,210)	785,211	1,855
Other Salaries for Instruction	11-216-100-106	507,480	90,815	598,295	2,527
Other Purchased Services	11-216-100-500	15,995	50,375	66,370	2,414
General Supplies	11-216-100-610	26,700	(6,000)	20,700	7,576
Total Preschool Disabilities - Full-Time		1,370,596	99,980	1,470,576	14,372

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Special Education - Instruction:					
Home Instruction:					
Salaries of Teachers	11-219-100-101	10,000	11,000	21,000	113
Purchased Professional - Educational Services	11-219-100-320	72,000	6,711	78,711	1,152
Total Home Instruction		82,000	17,711	99,711	1,264
Total Special Education - Instruction		12,588,324	67,478	12,655,802	76,399
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	11-230-100-101	734,541	1,005	735,546	55,361
Other Salaries for Instruction	11-230-100-106	313,742	(1,500)	312,242	33,947
Other Purchased Services	11-230-100-500	8,964	10,500	19,464	2,665
General Supplies	11-230-100-610	26,578	-	26,578	1,167
Total Basic Skills/Remedial - Instruction		1,083,825	10,005	1,093,830	93,140
Bilingual Education - Instruction:					
Salaries of Teachers	11-240-100-101	442,975	1,400	444,375	2,800
Other Purchased Services	11-240-100-500	20,335	3,665	24,000	4,477
General Supplies	11-240-100-610	10,450	(2,665)	7,785	320
Total Bilingual Education - Instruction		473,760	2,400	476,160	7,597
School-Sponsored Cocurricular/Extra Curricular Activities - Instruction:					
Salaries	11-401-100-100	258,627	9,000	267,627	63
Purchased Services	11-401-100-500	12,585	-	12,585	3,953
Supplies and Materials	11-401-100-600	6,750	435	7,185	1,500
Total School-Sponsored Cocurricular/Extra Curricular Activities - Instruction		277,962	9,435	287,397	5,516
School-Sponsored Athletics - Instruction:					
Salaries	11-402-100-100	199,986	(9,000)	190,986	10,897
Supplies and Materials	11-402-100-600	15,660	-	15,660	2,365
Other Objects	11-402-100-800	25,167	-	25,167	5,891
Total School-Sponsored Athletics - Instruction		240,813	(9,000)	231,813	19,153

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Other Instructional Programs - Instruction					
Salaries	11-403-100-100	638,770	301	639,071	2
Other Purchased Services	11-403-100-500	750	(750)	-	-
Supplies and Materials	11-403-100-600	16,466	750	17,216	1,768
Total Other Instructional Programs - Instruction		655,986	301	656,287	1,770
Undistributed Expenditures - Instruction (Tuition):					
Tuition to Other LEAs Within State - Special	11-000-100-562	237,651	-	237,651	1,664
Tuition to Private School Disabled - Within State	11-000-100-566	849,308	347,839	1,197,147	11,138
Tuition - Other	11-000-100-569	135,467	14,454	149,921	-
Total Undistributed Expenditures - Instruction (Tuition)		1,222,426	362,293	1,584,719	12,802
Undistributed Expenditures Attendance and Social Work:					
Salaries	11-000-211-100	1,014,344	(5,450)	1,008,894	1
Purchased Professional and Technical Services	11-000-211-300	10,097	-	10,097	10,097
Other Purchased Services	11-000-211-500	1,000	-	1,000	1,000
Total Undistributed Expenditures Attendance and Social Work		1,025,441	(5,450)	1,019,991	11,098
Undistributed Expenditures - Health Services:					
Salaries	11-000-213-100	882,377	5,000	887,377	764
Purchased Professional & Technical Services	11-000-213-320	136,500	133,568	270,068	66,966
Other Purchased Services	11-000-213-500	10,000	-	10,000	8,958
Supplies and Materials	11-000-213-600	21,387	(477)	20,910	3,746
Other Objects	11-000-213-800	-	947	947	-
Total Undistributed Expenditures - Health Services		1,050,264	139,038	1,189,302	80,435
Undistributed Expenditures - Speech, OT, PT and Related Services:					
Salaries	11-000-216-100	1,325,941	(77,526)	1,248,415	2,602
Purchased Professional - Educational Services	11-000-216-300	129,848	69,135	198,983	51,913
Supplies and Materials	11-000-216-600	24,695	(10,785)	13,910	6,788
Total Undistributed Expenditures - Speech, OT, PT and Related Services		1,480,484	(19,175)	1,461,309	61,303

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -					
Other Support Services - Extra Services:					
Salaries	11-000-217-100	658,702	73,736	732,438	1,959
Purchased Professional - Educational Services	11-000-217-320	10,000	50,000	60,000	3,947
Total Undistributed Expenditures -					
Other Support Services - Extra Services		668,702	123,736	792,438	5,907
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	11-000-218-104	1,084,976	2,346	1,087,322	101
Salaries of Secretaries & Clerical Assistants	11-000-218-105	131,582	-	131,582	-
Other Purchased Professional and Technical Services	11-000-218-390	286,909	-	286,909	3,602
Other Purchased Services	11-000-218-500	384	11,500	11,884	714
Supplies and Materials	11-000-218-600	25,270	(4,500)	20,770	813
Total Undistributed Expenditures - Guidance		1,529,121	9,346	1,538,467	5,230
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	11-000-219-104	1,621,696	(3,056)	1,618,640	1
Salaries of Secretaries & Clerical Assistants	11-000-219-105	149,097	704	149,801	510
Purchased Professional - Educational Services	11-000-219-320	193,850	24,076	217,926	67,700
Other Purchased Services	11-000-219-500	94,340	7,824	102,164	21,425
Supplies and Materials	11-000-219-600	47,957	(6,176)	41,781	14,859
Total Undistributed Expenditures - Child Study Teams		2,106,940	23,372	2,130,312	104,495
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	11-000-221-102	82,725	547	83,272	-
Salaries of Sec. and Clerical Assist.	11-000-221-105	104,271	(5,000)	99,271	591
Other Salaries	11-000-221-110	160,670	4,525	165,195	9,776
Sal. of Fac., Math, Literacy Coaches	11-000-221-176	852,768	3,202	855,970	1
Other Purchased Professional and Technical Services	11-000-221-390	5,000	-	5,000	-
Other Purchased Services	11-000-221-500	147,950	(1,232)	146,718	7,746
Supplies and Materials	11-000-221-600	12,482	-	12,482	4,250
Total Undistributed Expenditures - Improvement of Instruction Services		1,365,866	2,042	1,367,908	22,364

**MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025**

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Educational Media Services/Library:					
Salaries	11-000-222-100	403,040	-	403,040	-
Other Purchased Services	11-000-222-500	36,183	-	36,183	338
Supplies and Materials	11-000-222-600	35,060	(1,059)	34,001	3,406
Total Undistributed Expenditures - Educational Media Services/Library		474,283	(1,059)	473,224	3,744
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Secretarial and Clerical Assistants	11-000-223-102	29,811	(3,749)	26,062	5,244
Salaries of Supervisors of Instruction	11-000-223-105	26,068	-	26,068	1,398
Other Salaries	11-000-223-110	44,596	(5,530)	39,066	14,159
Other Purchased Prof. and Tech. Services	11-000-223-390	2,650	-	2,650	1,400
Other Purchased Services	11-000-223-500	91,637	-	91,637	30,675
Supplies and Materials	11-000-223-600	3,224	-	3,224	623
Total Undistributed Expenditures - Instructional Staff Training Services		197,986	(9,279)	188,707	53,499
Undistributed Expenditures - Support Services - General Administration:					
Salaries	11-000-230-100	687,940	24,408	712,348	201
Legal Services	11-000-230-331	188,481	-	188,481	14,266
Audit Fees	11-000-230-332	40,075	2,935	43,010	-
Architectural/Engineering Services	11-000-230-334	151,116	48,000	199,116	57,378
Other Purchased Professional Services	11-000-230-339	61,000	-	61,000	14,885
Purchased Technical Services	11-000-230-340	80,000	(10,259)	69,741	2,740
Communications/Telephone	11-000-230-530	306,066	-	306,066	19,685
Other Purchased Services	11-000-230-590	121,969	(21,933)	100,036	14,434
General Supplies	11-000-230-610	20,999	(441)	20,558	13,738
BOE In-House Training/Meeting Supplies	11-000-230-630	500	-	500	500
Judgements Against School District	11-000-230-820	50,000	(22,000)	28,000	24,992
Miscellaneous Expenditures	11-000-230-890	9,770	-	9,770	2,438
BOE Membership Dues and Fees	11-000-230-895	38,000	-	38,000	2,643
Total Undistributed Expenditures - Support Services - General Administration		1,755,916	20,710	1,776,626	167,899

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	ORIGINAL BUDGET	JUNE 30, 2025		VARIANCE FINAL TO ACTUAL
			BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals/Assistant Principals	11-000-240-103	3,177,432	(28,197)	3,149,235	7
Salaries of Secretaries & Clerical Assistants	11-000-240-105	958,890	45,781	1,004,671	459
Unused Vacation Payment to Staff	11-000-240-199	-	10,715	10,714	1
Other Purchased Services	11-000-240-500	114,056	(5,078)	108,978	18,522
Supplies and Materials	11-000-240-600	62,199	3,043	65,242	16,138
Other Objects	11-000-240-800	24,611	-	24,611	3,361
Total Undistributed Expenditures - Support Services - School Administration		4,337,188	26,264	4,363,452	38,488
Undistributed Expenditures - Central Services:					
Salaries	11-000-251-100	739,550	799	740,349	299
Purchased Professional Services	11-000-251-330	1,000	-	1,000	1,000
Miscellaneous Purchased Services	11-000-251-592	10,500	-	10,500	123
Supplies and Materials	11-000-251-600	6,500	-	6,500	1,747
Miscellaneous Expenditures	11-000-251-890	3,200	-	3,200	751
Total Undistributed Expenditures - Central Services		760,750	799	761,549	3,920
Undistributed Expenditures - Administrative Information Technology:					
Salaries	11-000-252-100	256,772	2,182	258,954	1,424
Purchased Technical Services	11-000-252-340	78,000	(22,000)	56,000	7,904
Other Purchased Services	11-000-252-500	271,767	13,688	285,455	3,643
Supplies and Materials	11-000-252-600	111,605	22,000	133,605	4,456
Total Undistributed Expenditures - Administrative Information Technology		718,144	15,870	734,014	17,427
Undistributed Expenditures - Required Maintenance for School Facilities:					
Cleaning, Repair & Maintenance Services	11-000-261-420	1,725,405	(392,000)	1,333,405	341,885
General Supplies	11-000-261-610	286,750	(9,000)	277,750	95,657
Total Undistributed Expenditures - Required Maintenance for School Facilities		2,012,155	(401,000)	1,611,155	437,542

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures - Custodial Services:					
Salaries	11-000-262-100	1,902,303	(126,917)	1,775,386	130,324
Salaries of Non-Instructional Aides	11-000-262-107	507,389	(122,000)	385,389	11,577
Unused Vacation Payment to Staff	11-000-262-199	-	21,917	21,917	2
Purchased Professional and Technical Services	11-000-262-300	67,887	7,000	74,887	13,942
Cleaning, Repair & Maintenance Services	11-000-262-420	2,982,538	(144,415)	2,838,123	82,543
Other Purchased Property Services	11-000-262-490	283,793	-	283,793	35,414
Insurance	11-000-262-520	333,582	28,028	361,610	1,252
Miscellaneous Purchased Services	11-000-262-590	23,027	27,580	50,607	7,182
General Supplies	11-000-262-610	292,071	(7,142)	284,929	65,456
Energy (Natural Gas)	11-000-262-621	542,856	37,500	580,356	36,133
Energy (Electricity)	11-000-262-622	637,985	87,600	725,585	65,307
Energy (Oil)	11-000-262-624	12,651	4,000	16,651	4,573
Other Objects	11-000-262-800	31,742	-	31,742	5,766
Interest - Energy Savings Impr Prog Bonds	11-000-262-837	932,098	-	932,098	-
Total Undistributed Expenditures - Custodial Services		8,549,922	(186,849)	8,363,073	459,471
Undistributed Expenditures - Care and Upkeep of Grounds:					
Salaries	11-000-263-100	29,755	-	29,755	1,171
Cleaning, Repair & Maintenance Services	11-000-263-420	195,132	(21,600)	173,532	10,092
General Supplies	11-000-263-610	44,734	2,000	46,734	18,061
Total Undistributed Expenditures - Care and Upkeep of Grounds		269,621	(19,600)	250,021	29,324
Security:					
Salaries	11-000-266-100	383,055	-	383,055	10,219
Purchased Professional and Technical Services	11-000-266-390	448,420	(8,063)	440,357	18,994
Cleaning, Repair, and Maintenance Services	11-000-266-420	38,185	3,795	41,980	12,506
General Supplies	11-000-266-610	16,350	7,563	23,913	8,265
Other Objects	11-000-266-800	894	500	1,394	267
Total Security		886,904	3,794	890,698	50,250

**MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025**

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Undistributed Expenditures -					
Student Transportation Services:					
Salaries of Non-Instructional Aides	11-000-270-107	331,100	-	331,100	1,806
Salaries of Pupil Transportation (Between Home & School) - Regular	11-000-270-160	2,198,597	(109,992)	2,088,605	40,283
Sal for Pupil Trans (Bet Home & Sch)- Sp Ed	11-000-270-161	488,534	(18,690)	469,844	20,948
Sal for Pupil Trans (Other than Bet. Home & Sch)	11-000-270-162	14,815	1,808	16,623	16,623
Unused Vacation Payment to Terminated / Retired Staff	11-000-270-199	-	6,817	6,817	-
Other Purchased Prof. and Technical Serv.	11-000-270-390	26,638	39,850	66,488	9,843
Cleaning, Repair and Maintenance Services	11-000-270-420	59,823	(2,832)	56,991	37,199
Lease Purchase Payments - School Buses	11-000-270-443	431,397	-	431,397	1
Contract Services - Aid in Lieu Payments - Non Public Schools	11-000-270-503	264,000	-	264,000	25,069
Contract Services (Between Home & School) - Vendors	11-000-270-511	292,500	275,000	567,500	92,355
Contract Services (Other Than Between Home & School) - Vendors	11-000-270-512	10,000	(1,308)	8,692	8,692
Contract Services (Between Home & School) - Joint Agreement	11-000-270-513	30,000	-	30,000	8,220
Contract Serv.(Sp Ed Stds)-Joint Agrmnts	11-000-270-515	1,075,838	-	1,075,838	256,856
Miscellaneous Purchased Services - Transportation	11-000-270-593	74,722	1,545	76,267	6,562
General Supplies	11-000-270-610	7,866	2,000	9,866	4,581
Transportation Supplies	11-000-270-615	667,139	(21,861)	645,278	221,646
Miscellaneous Expenditures	11-000-270-800	16,952	-	16,952	6,052
Total Undistributed Expenditures -		5,989,921	172,337	6,162,258	756,735
Student Transportation Services				5,405,523	
Unallocated Benefits:					
Social Security Contributions	11-000-291-220	949,641	99,230	1,048,871	-
Other Retirement Contributions - PERS	11-000-291-241	1,580,844	(98,790)	1,482,054	-
Workmen's Compensation	11-000-291-260	574,651	(69,738)	504,913	1
Health Benefits	11-000-291-270	15,857,103	(56,311)	15,800,792	424
Tuition Reimbursement	11-000-291-280	76,597	(5,355)	71,242	1,851
Other Employee Benefits	11-000-291-290	243,500	23,300	266,800	41
Unused Sick Payment to Staff	11-100-100-297	125,000	46,952	171,951	1
Total Unallocated Benefits		19,407,336	(60,712)	19,346,624	2,317

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Nonbudgeted:					
TPAF Pension (on-behalf)		-	-	-	15,048,478 (15,048,478)
TPAF Social Security (reimbursed)		-	-	-	3,299,578 (3,299,578)
TPAF Post Retirements		-	-	-	4,397,177 (4,397,177)
TPAF Long-Term Disability Insurance (on behalf)		-	-	-	6,322 (6,322)
Total Undistributed Expenditures		55,809,370	196,476	56,005,846	76,433,152 (20,427,306)
Total Expenditures - Current Expense		98,748,046	35,727	98,783,773	118,760,968 (19,977,194)
Capital Outlay:					
Equipment:					
Grades 1-5	12-120-100-730	7,500	3,499	10,999	10,991 8
School-Sponsored & Other Instructional Programs	12-400-100-730	3,104	-	3,104	2,498 606
Undistributed Expenditures:					
Undistributed Expenditures - School Admin.	12-000-240-730	4,220	257	4,477	4,428 49
Central Services	12-000-251-730	-	4,312	4,312	4,266 46
Undistributed Expenditures - Admin Info Tech.	12-000-252-730	40,000	(40,000)	-	-
Undist. Expend. - Custodial Services	12-000-262-730	124,250	26,800	151,050	114,307 36,743
Undist. Expend. - Security	12-000-266-730	7,595	(3,795)	3,800	3,800 -
Undist. Expend.-Student Trans.-Non-Inst. Equip	12-000-270-732	-	5,000	5,000	4,899 101
School Buses - Regular	12-000-270-733	41,020	-	41,020	41,020 -
Total Equipment		227,689	(3,926)	223,763	186,209 37,554
Facilities Acquisition & Construction Services:					
Construction Services	12-000-400-450	1,300,000	(1,131,800)	168,200	153,700 14,500
Total Facilities Acquisition & Construction Services		1,300,000	(1,131,800)	168,200	153,700 14,500
Total Capital Outlay		1,527,689	(1,135,726)	391,963	339,909 52,054
Total Expenditures		100,275,735	(1,100,000)	99,175,736	119,100,876 (19,925,140)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures Before Other Financing Sources/(Uses)		(5,129,586)	1,100,000	(4,029,587)	(905,194) 3,124,393

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025

	ACCOUNT NUMBERS	JUNE 30, 2025			VARIANCE FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Other Financing Sources/(Uses):					
Transfers In/(Out):					
Capital Outlay - Transfer to Capital Projects	12-000-400-932	-	(1,100,000)	(1,100,000)	(683,992) (416,008)
Total Other Financing Sources/(Uses)		-	(1,100,000)	(1,100,000)	(683,992) (416,008)
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures After Other Financing Sources/(Uses)		(5,129,586)	-	(5,129,587)	(1,589,186) 2,708,385
Fund Balances, July 1		14,537,608	-	14,537,608	14,537,608 -
Fund Balances, June 30		\$ 9,408,022	\$ -	\$ 9,408,021	\$ 12,948,422 \$ 2,708,385
Restricted Fund Balance:					
Capital Reserve				\$	3,652,451
Maintenance Reserve					2,126,115
Excess Surplus					1,093,719
Excess Surplus Designated for Subsequent Year's Expenditures					2,202,061
Reserve for Unemployment Claims					834,343
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures					584,732
Year-End Encumbrances					406,805
Unassigned Fund Balance					2,048,196
Subtotal					12,948,422
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payments Not Recognized on GAAP Basis					(803,355)
Fund Balance per Governmental Funds (GAAP)					\$ 12,145,067

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2025**

	JUNE 30, 2025				VARIANCE FINAL TO ACTUAL (OVER)/ UNDER
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources	\$ 360,000	\$ -	\$ 360,000	\$ 351,648	\$ 8,352
State Sources	452,645	4,418	457,063	429,219	27,844
Federal Sources	1,499,225	23,792	1,523,017	1,496,966	26,051
Total Revenues	2,311,870	28,210	2,340,080	2,277,833	62,247
Expenditures:					
Instruction:					
Salaries of Teachers	14,892	-	14,892	14,883	9
Other Salaries for Instruction	180,264	-	180,264	174,318	5,946
Purchased Professional - Educational Services	196,210	16,970	213,180	188,349	24,831
Other Purchased Services (400-500 Series)	850,104	(13,368)	836,736	832,605	4,131
General Supplies	35,321	8,220	43,541	41,850	1,691
Textbooks	14,781	-	14,781	14,667	114
Total Instruction	1,291,572	11,822	1,303,394	1,266,672	36,722
Support Services:					
Salaries of Other Professional Staff	206,362	-	206,362	199,687	6,675
Personal Services - Employee Benefits	30,764	-	30,764	29,768	996
Purchased Educational Services	198,531	12,002	210,533	201,047	9,486
Supplies and Materials	8,833	3,667	12,500	12,484	16
Other Objects	7,000	719	7,719	7,719	-
Student Activities	350,000	-	350,000	342,092	7,908
Chromebook Repairs	10,000	-	10,000	10,000	-
Total Support Services	811,490	16,388	827,878	802,797	25,081
Facilities Acquisition & Construction Services:					
Infrastructure	208,808	-	208,808	208,808	-
Total Facilities Acquisition & Construction Services	208,808	-	208,808	208,808	-
Total Expenditures	2,311,870	28,210	2,340,080	2,278,277	61,803
Total Outflows	2,311,870	28,210	2,340,080	2,278,277	61,803
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	(444)	\$ 444
Fund Balance, July 1				94,432	
Fund Balance, June 30				\$ 93,988	
Recapitulation:					
Restricted:					
Scholarships				\$ 1,487	
Student Activities				81,699	
Technology Trust				10,802	
Total Fund Balance				\$ 93,988	

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET TO GAAP RECONCILIATION
YEAR ENDED JUNE 30, 2025**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 118,195,682	\$ 2,277,833
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(5,500)
Prior Year	-	7,607
The last state aid payments are recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		
Current Year	(803,355)	-
Prior Year	747,685	-
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 118,140,012</u>	<u>\$ 2,279,940</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule. (C-1, C-2)	\$ 119,100,876	\$ 2,278,277
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
	-	2,107
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 119,100,876</u>	<u>\$ 2,280,384</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District's proportion of the net pension liability	0.1089%	0.1130%	0.1121%	0.1113%	0.11780%	0.11545%	0.10892%	0.11205%	0.11316%	0.10947%
School District's proportionate share of the net pension liability	\$ 14,799,513	\$ 16,368,710	\$ 16,915,676	\$ 13,179,162	\$ 19,209,643	\$ 20,801,442	\$ 21,445,269	\$ 26,083,284	\$ 30,530,840	\$ 24,573,054
School District's covered payroll	\$ 8,545,628	\$ 8,570,884	\$ 8,469,797	\$ 7,914,825	\$ 8,003,492	\$ 8,420,559	\$ 8,066,661	\$ 7,451,664	\$ 7,563,569	\$ 7,556,838
School District's proportionate share of the net pension liability as a percentage of its covered payroll	173.18%	190.98%	199.72%	166.51%	240.02%	247.03%	265.85%	350.03%	403.66%	325.18%
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%

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

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District's contractually required contribution	\$ 1,482,038	\$ 1,510,402	\$ 1,413,488	\$ 1,302,860	\$ 1,288,642	\$ 1,122,940	\$ 1,083,375	\$ 1,038,017	\$ 1,005,336	\$ 941,119
Contributions in relation to the contractually required contribution	(1,482,038)	(1,510,402)	(1,413,488)	(1,302,860)	(1,288,642)	(1,122,940)	(1,083,375)	(1,038,017)	(1,005,336)	(941,119)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District's covered payroll	\$ 8,828,462	\$ 8,545,628	\$ 8,570,884	\$ 8,469,787	\$ 7,914,825	\$ 8,003,492	\$ 8,420,559	\$ 8,066,661	\$ 7,451,664	\$ 7,563,569
Contributions as a percentage of covered payroll	16.79%	17.67%	16.49%	15.38%	16.28%	14.03%	12.87%	12.87%	13.49%	12.44%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
School District's proportion of the net pension liability		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
School District's proportionate share of the net pension liability	\$	-	\$	-	\$	-	\$	-	\$	-
State's proportionate share of the net pension liability										
associated with the School District	178,364,498	182,938,004	183,966,985	174,535,906	243,129,433	219,073,748	233,643,713	245,811,661	293,394,568	238,571,199
	\$	178,364,498	\$	183,966,985	\$	243,129,433	\$	245,811,661	\$	238,571,199
School District's covered payroll	\$	45,865,284.00	\$	44,005,078.00	\$	40,551,122.00	\$	39,259,445.00	\$	37,474,004.00
School District's proportionate share of the net pension liability as a percentage of its covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	37.99%	34.68%	32.29%	35.52%	26.49%	25.41%	22.33%	28.71%	35.09%	41.47%

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

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

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

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service Cost	\$ 7,453,547	\$ 7,489,565	\$ 9,548,283	\$ 11,453,909	\$ 6,383,515	\$ 5,933,498	\$ 6,714,057	\$ 8,097,639
Interest Cost	7,125,121	6,732,185	4,888,126	5,587,583	5,306,673	6,301,650	6,693,991	5,777,624
Changes of Benefit Terms	-	-	-	(229,262)	-	-	-	-
Difference Between Expected and Actual Experiences	(217,235)	(2,828,353)	8,784,963	(40,308,312)	43,868,713	(21,846,270)	(14,278,906)	-
Changes of Assumptions	16,193,566	385,286	(49,480,348)	212,504	44,412,882	2,195,812	(18,254,354)	(24,149,315)
Contributions: Member	186,325	172,522	155,328	142,847	128,297	134,008	147,009	155,485
Gross Benefit Payments	(5,441,570)	(5,247,848)	(4,841,834)	(4,401,451)	(4,232,825)	(4,520,760)	(4,253,539)	(4,222,551)
Net Change in Total OPEB Liability	25,299,754	6,703,357	(30,945,482)	(27,742,182)	95,867,255	(11,802,062)	(23,231,742)	(14,341,118)
Total OPEB Liability (Beginning)	191,153,283	184,449,926	215,395,408	243,137,590	147,270,335	159,072,397	182,304,139	196,645,257
Total OPEB Liability (Ending)	\$ 216,453,037	\$ 191,153,283	\$ 184,449,926	\$ 215,395,408	\$ 243,137,590	\$ 147,270,335	\$ 159,072,397	\$ 182,304,139
State's Covered Employee Payroll	\$ 54,410,912	\$ 52,575,962	\$ 52,609,846	\$ 50,093,655	\$ 48,554,614	\$ 48,159,949	\$ 49,811,257	\$ 48,836,607
Net OPEB Liability as a Percentage of Payroll	398%	364%	351%	430%	501%	306%	319%	373%

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

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III
YEAR ENDED JUNE 30, 2025**

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2024	7.00%	2020	5.40%	2016	3.22%
2023	7.00%	2019	5.60%	2015	4.13%
2022	7.00%	2018	4.80%		
2021	7.00%	2017	4.25%		

The long-term expected rate of return used as of June 30, measurement data is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2024	7.00%	2020	7.00%	2016	7.65%
2023	7.00%	2019	7.00%	2015	7.90%
2022	7.00%	2018	7.00%		
2021	7.00%	2017	7.00%		

Public Employees' Retirement System (PERS)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2024	7.00%	2020	7.00%	2016	3.98%
2023	7.00%	2019	6.28%	2015	4.90%
2022	7.00%	2018	5.66%		
2021	7.00%	2017	5.00%		

The long-term expected rate of return used as of June 30, measurement data is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2024	7.00%	2020	7.00%	2016	7.65%
2023	7.00%	2019	7.00%	2015	7.65%
2022	7.00%	2018	7.00%		
2021	7.00%	2017	7.00%		

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms

None.

Changes in Assumptions

The discount rate used as of June 30, measurement date is as follows:

<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>	<u>Year</u>	<u>Rate</u>
2024	3.93%	2021	2.16%	2018	3.87%
2023	3.65%	2020	2.21%	2017	3.58%
2022	3.54%	2019	3.50%	2016	2.85%

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025**

	Title I	Title IIA	Title III	Title IV	I.D.E.A. Part B - Basic	I.D.E.A Part B. - Preschool
Revenues:						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	-	-	-	-	-
Federal Sources	204,273	74,951	38,843	13,415	1,080,278	69,948
Total Revenues	204,273	74,951	38,843	13,415	1,080,278	69,948
Expenditures:						
Instruction:						
Salaries of Teachers	14,883	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	174,318	-
Purchased Professional - Educational Services	-	-	-	2,752	-	-
Other Purchased Services (400-500 Series)	5,132	-	1,013	7,568	807,404	-
General Supplies	8,281	-	9,319	333	-	-
Textbooks	-	-	-	-	-	-
Total Instruction	28,296	-	10,332	10,653	981,722	-
Support Services:						
Salaries of Other Professional Staff	152,953	25,628	21,106	-	-	-
Personal Services - Employee Benefits	12,839	1,961	1,615	-	13,353	-
Purchased Educational Services	1,500	47,362	1,991	2,762	77,484	69,948
Supplies and Materials	8,685	-	3,799	-	-	-
Other Objects	-	-	-	-	7,719	-
Student Activities	-	-	-	-	-	-
Chromebook Repairs	-	-	-	-	-	-
Total Support Services	175,977	74,951	28,511	2,762	98,556	69,948
Facilities Acquisition & Construction Services:						
Infrastructure	-	-	-	-	-	-
Total Facilities Acquisition & Construction Services	-	-	-	-	-	-
Total Expenditures	204,273	74,951	38,843	13,415	1,080,278	69,948
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025**

	Education Stabilization Fund (ARP ESSER)	SDA Emergent Needs and Capital Maintenance	Nonpublic Textbooks	Nonpublic Auxiliary	Nonpublic Handicapped	Nonpublic Nursing
Revenues:						
Local Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Sources	-	208,808	14,667	23,025	74,005	37,237
Federal Sources	15,258	-	-	-	-	-
Total Revenues	15,258	208,808	14,667	23,025	74,005	37,237
Expenditures:						
Instruction:						
Salaries of Teachers	-	-	-	-	-	-
Other Salaries for Instruction	-	-	-	-	-	-
Purchased Professional - Educational Services	15,258	-	-	23,025	74,005	37,237
Other Purchased Services (400-500 Series)	-	-	-	-	-	-
General Supplies	-	-	-	-	-	-
Textbooks	-	-	14,667	-	-	-
Total Instruction	15,258	-	14,667	23,025	74,005	37,237
Support Services:						
Salaries of Other Professional Staff	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-
Purchased Educational Services	-	-	-	-	-	-
Supplies and Materials	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-
Student Activities	-	-	-	-	-	-
Chromebook Repairs	-	-	-	-	-	-
Total Support Services	-	-	-	-	-	-
Facilities Acquisition & Construction Services:						
Infrastructure	-	208,808	-	-	-	-
Total Facilities Acquisition & Construction Services	-	208,808	-	-	-	-
Total Expenditures	15,258	208,808	14,667	23,025	74,005	37,237
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS
YEAR ENDED JUNE 30, 2025**

	Nonpublic Technology	Nonpublic Security	Student Activity	Scholarships	Technology Trust	Totals
Revenues:						
Local Sources	\$ -	\$ -	\$ 340,962	\$ -	\$ 10,686	\$ 351,648
State Sources	13,447	58,030	-	-	-	429,219
Federal Sources	-	-	-	-	-	1,496,966
Total Revenues	13,447	58,030	340,962	-	10,686	2,277,833
Expenditures:						
Instruction:						
Salaries of Teachers	-	-	-	-	-	14,883
Other Salaries for Instruction	-	-	-	-	-	174,318
Purchased Professional - Educational Services	-	36,072	-	-	-	188,349
Other Purchased Services (400-500 Series)	-	11,488	-	-	-	832,605
General Supplies	13,447	10,470	-	-	-	41,850
Textbooks	-	-	-	-	-	14,667
Total Instruction	13,447	58,030	-	-	-	1,266,672
Support Services:						
Salaries of Other Professional Staff	-	-	-	-	-	199,687
Personal Services - Employee Benefits	-	-	-	-	-	29,768
Purchased Educational Services	-	-	-	-	-	201,047
Supplies and Materials	-	-	-	-	-	12,484
Other Objects	-	-	-	-	-	7,719
Student Activities	-	-	342,092	-	-	342,092
Chromebook Repairs	-	-	-	-	10,000	10,000
Total Support Services	-	-	342,092	-	10,000	802,797
Facilities Acquisition & Construction Services:						
Infrastructure	-	-	-	-	-	208,808
Total Facilities Acquisition & Construction Services	-	-	-	-	-	208,808
Total Expenditures	13,447	58,030	342,092	-	10,000	2,278,277
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(1,130)	-	686	(444)
Fund Balance, July 1	-	-	82,829	1,487	10,116	94,432
Fund Balance, June 30	\$ -	\$ -	\$ 81,699	\$ 1,487	\$ 10,802	\$ 93,988

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F. Capital Projects Fund

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MARLBORO TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
YEAR ENDED JUNE 30, 2025

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Original Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2025</u>
			<u>Prior Years</u>	<u>Current Year</u>	
HVAC Upgrades	4/4/2024	\$ 1,279,192	\$ -	\$ 1,013,892	\$ 265,300
Total		\$ 1,279,192	\$ -	\$ 1,013,892	\$ 265,300

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

Revenues and Other Financing Sources:	
State Sources - SDA Grant	\$ 595,200
Transfer from Capital Outlay	683,992
Total Revenues and Other Financing Sources	1,279,192
Expenditures and Other Financing Uses:	
Construction Services	1,013,892
Total Expenditures and Other Financing Uses	1,013,892
Excess (Deficiency) of Revenues and Other Financing Sources	
Over (Under) Expenditures and Other Financing Uses	265,300
Fund Balance, July 1	-
Fund Balance, June 30	\$ 265,300

**MARLBORO TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGETARY BASIS
HVAC UPGRADES
YEAR ENDED JUNE 30, 2025**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources:				
State Sources - SDA Grant	\$ -	\$ 595,200	\$ 595,200	\$ 595,200
Transfer from Capital Outlay	-	683,992	683,992	683,992
Total Revenues and Other Financing Sources	-	1,279,192	1,279,192	1,279,192
Expenditures and Other Financing Uses:				
Construction Services	-	1,013,892	1,013,892	1,279,192
Total Expenditures and Other Financing Uses	-	1,013,892	1,013,892	1,279,192
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ -	\$ 265,300	\$ 265,300	\$ -

Additional Project Information:

<u>Name of Project:</u>	
<u>HVAC Upgrades</u>	
Project Number	3030-045-23-G5WR
Grant Date	4/4/2024
Original Authorized Cost	\$ 1,279,192
Additional Authorized Cost	-
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completion	79.26%
Original Target Completion Date	6/30/2026
Revised Target Completion Date	N/A

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H. Fiduciary Fund

Not Applicable

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I. Long-Term Debt

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER FINANCED PURCHASES
YEAR ENDED JUNE 30, 2025**

PURPOSE	AMOUNT OF ORIGINAL ISSUE	INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2024	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2025
School Energy Savings Program	\$ 15,250,000	1.91%	\$ 12,780,000	\$ 688,000	\$ 12,092,000
2022 Buses - 5					
2021 Mid-Bus - 2	665,860	1.09%	134,748	134,748	-
2022 Buses - 5					
2023 Mid- Bus -2	668,071	1.19%	268,920	133,666	135,254
2022 Copiers	172,972	3.00%	57,188	45,510	11,678
2023 Buses - 5					
2023 Mid- Bus -2	733,000	3.83%	440,769	141,437	299,332
		Total	\$ 13,681,625	\$ 1,143,361	\$ 12,538,264

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STATISTICAL SECTION (Unaudited)

Third Section

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Financial Trends Information

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

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
FISCAL YEAR ENDING JUNE 30,										
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 47,106,609	\$ 48,113,191	\$ 49,930,282	\$ 62,545,871	\$ 62,049,590	\$ 59,941,496	\$ 56,705,311	\$ 53,404,182	\$ 50,326,279	\$ 46,102,941
Restricted	10,002,677	10,950,622	9,607,724	9,692,506	10,111,542	12,135,960	8,864,994	7,557,935	8,452,497	7,011,165
Unrestricted (Deficit)	(34,110,293)	-17,078,887	(17,014,623)	(17,269,020)	(22,201,488)	(25,789,241)	(25,179,420)	(23,944,710)	(24,472,923)	(22,639,727)
Total Governmental Activities										
Net Position	\$ 22,998,993	\$ 41,984,926	\$ 42,523,383	\$ 54,969,357	\$ 49,959,644	\$ 46,288,215	\$ 40,390,885	\$ 37,017,407	\$ 34,305,853	\$ 30,474,379
Business-Type Activities:										
Net Investment in Capital Assets	\$ 637,863	\$ 712,634	\$ 732,968	\$ 686,377	\$ 643,180	\$ 398,368	\$ 434,932	\$ 359,653	\$ 283,050	\$ 310,817
Unrestricted (Deficit)	431,298	579,619	679,389	507,294	145,163	221,324	208,489	313,554	419,183	366,103
Total Business-Type Activities										
Net Position	\$ 1,069,161	\$ 1,292,253	\$ 1,412,357	\$ 1,193,671	\$ 788,343	\$ 619,692	\$ 643,421	\$ 673,207	\$ 702,233	\$ 676,920
District-Wide:										
Net Investment in Capital Assets	\$ 47,744,472	\$ 48,825,825	\$ 50,663,250	\$ 63,232,248	\$ 62,692,770	\$ 60,339,864	\$ 57,140,243	\$ 53,765,835	\$ 50,609,329	\$ 46,413,758
Restricted	10,002,677	10,950,622	9,607,724	9,692,506	10,111,542	12,135,960	8,864,994	7,557,935	8,452,497	7,011,165
Unrestricted (Deficit)	(33,678,995)	-16,499,268	(16,335,234)	(16,761,726)	(22,056,325)	(25,567,917)	(24,970,931)	(23,631,156)	(24,053,740)	(22,273,624)
Total District Net Position	\$ 24,068,154	\$ 43,277,179	\$ 43,935,740	\$ 56,163,028	\$ 50,747,987	\$ 46,907,907	\$ 41,034,306	\$ 37,690,614	\$ 35,008,086	\$ 31,151,299

Source: ACFR Schedule A-1

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 53,545,442	\$ 52,750,695	\$ 50,290,874	\$ 50,709,036	\$ 54,934,279	\$ 43,349,934	\$ 48,815,408	\$ 51,708,987	\$ 47,360,063	\$ 41,644,306
Special Education	23,724,454	22,447,450	20,860,051	20,562,075	12,531,759	12,287,361	11,981,547	12,742,003	18,829,601	16,686,291
Other Instruction	4,938,074	4,889,707	4,546,468	4,722,530	4,140,535	3,600,544	3,503,123	4,188,185	4,137,725	4,301,453
Nonpublic School Programs	-	-	-	-	-	286,134	243,995	235,282	211,020	200,447
Support Services:										
Tuition	2,144,127	2,061,956	1,263,578	1,457,631	1,869,785	2,424,369	1,818,934	2,721,703	2,187,105	2,167,769
Student & Instruction Related Services	14,491,208	13,307,528	12,833,037	14,036,103	14,133,175	14,255,555	15,683,290	15,861,888	14,567,546	12,977,350
Other Administrative Services	2,194,338	2,016,559	2,308,221	2,517,414	2,468,197	2,428,303	2,315,074	2,425,769	2,100,175	2,044,009
Central Services	1,033,422	958,875	892,271	915,556	930,376	-	-	-	-	-
Administration Information Technology Services	977,440	730,579	817,128	1,086,219	1,542,022	-	-	-	-	-
School Administrative Services	5,899,341	5,838,387	5,825,354	5,915,669	6,056,017	6,607,534	7,131,493	7,588,044	7,369,904	6,607,572
Business Administrative Services	-	-	-	-	-	2,050,207	2,110,212	2,284,908	2,084,087	1,945,728
Plant Operations & Maintenance	11,573,550	11,607,234	29,166,525	11,703,677	11,815,389	12,625,527	11,304,569	10,341,640	9,133,883	9,152,971
Pupil Transportation	7,373,246	7,361,969	6,985,360	6,915,181	6,118,795	6,287,231	6,245,266	6,840,307	6,561,180	6,026,469
Interest & Other Charges	918,941	905,998	901,853	911,808	999,690	104,170	315,204	316,498	452,578	468,930
Total Governmental Activities	128,813,582	124,876,937	136,690,720	121,452,899	117,540,019	106,306,869	111,468,115	117,255,214	114,994,867	104,223,295
Expenses										
Business-Type Activities:										
Food Service	2,361,609	2,281,340	2,071,454	2,606,531	1,461,043	1,195,016	1,516,656	1,428,476	1,378,373	1,466,306
Total Business-Type Activities	2,361,609	2,281,340	2,071,454	2,606,531	1,461,043	1,195,016	1,516,656	1,428,476	1,378,373	1,466,306
Expense										
Total District Expenses	\$ 131,175,191	\$ 127,158,277	\$ 138,762,174	\$ 124,059,430	\$ 119,001,062	\$ 107,501,885	\$ 112,984,771	\$ 118,683,690	\$ 116,373,240	\$ 105,689,601
Program Revenues:										
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 196,257	\$ 207,364	\$ 730,708	\$ 813,455
Operating Grants & Contributions	31,177,276	31,704,066	31,237,226	36,954,599	32,156,605	21,684,063	25,501,358	31,677,611	19,511,076	13,224,474
Total Governmental Activities										
Program Revenues	31,177,276	31,704,066	31,237,226	36,954,599	32,156,605	21,684,063	25,697,615	31,884,975	20,241,784	14,037,929
Business-Type Activities:										
Charges for Services:										
Food Service	1,549,885	1,561,822	1,562,824	413,458	9,886	798,963	1,167,379	1,104,299	1,151,499	1,175,748
Operating Grants & Contributions	588,632	599,414	727,316	2,598,401	1,619,808	372,324	319,491	295,151	252,551	296,018
Total Business Type Activities										
Program Revenues	2,138,517	2,161,236	2,290,140	3,011,859	1,629,694	1,171,287	1,486,870	1,399,450	1,404,050	1,471,766
Total District Program Revenues	\$ 33,315,793	\$ 33,865,302	\$ 33,527,366	\$ 39,966,458	\$ 33,786,299	\$ 22,855,350	\$ 27,184,485	\$ 33,284,425	\$ 21,645,834	\$ 15,509,695
Net (Expense)/Revenue:										
Governmental Activities	\$ (97,636,306)	\$ (93,172,871)	\$ (105,453,494)	\$ (84,498,300)	\$ (85,383,414)	\$ (84,622,806)	\$ (85,770,500)	\$ (85,370,239)	\$ (94,753,083)	\$ (90,185,366)
Business-Type Activities	(223,092)	(120,104)	218,686	405,328	168,651	(23,729)	(29,786)	(29,026)	25,677	5,460
Total District-Wide Net Expense	\$ (97,859,398)	\$ (93,292,975)	\$ (105,234,808)	\$ (84,092,972)	\$ (85,214,763)	\$ (84,646,535)	\$ (85,800,286)	\$ (85,399,265)	\$ (94,727,406)	\$ (90,179,906)

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
FISCAL YEAR ENDING JUNE 30,										
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 85,592,873	\$ 82,934,189	\$ 80,701,477	\$ 79,200,098	\$ 77,647,155	\$ 74,806,764	\$ 73,339,965	\$ 71,901,926	\$ 71,178,461	\$ 68,007,538
Taxes Levied for Debt Service	-	-	-	-	-	3,093,229	3,067,690	3,044,386	3,945,945	3,941,633
Grants & Contributions	9,437,906	8,111,678	11,647,918	9,891,799	10,438,465	11,864,800	12,312,729	12,804,932	22,994,948	22,025,896
Investment Earnings	-	-	-	-	-	96,993	70,168	12,021	4,409	6,466
Tuition Received	222,588	244,144	110,700	118,549	42,285	-	-	-	-	-
Miscellaneous Income	939,099	1,344,404	547,427	297,566	94,906	648,458	353,426	318,528	460,430	444,343
Transfers In/Out	-	-	-	-	-	-	-	-	364	-
Special and Extraordinary Items	-	-	-	-	(10,087)	9,892	-	-	-	-
Total Governmental Activities	96,192,466	92,634,415	93,007,522	89,508,012	88,212,724	90,520,136	89,143,978	88,081,793	98,584,557	94,425,876
Business-Type Activities:										
Transfers In/Out	-	-	-	-	-	-	-	(364)	-	-
Total Business-Type Activities	-	-	-	-	-	-	-	(364)	-	-
Total District-Wide	\$ 96,192,466	\$ 92,634,415	\$ 93,007,522	\$ 89,508,012	\$ 88,212,724	\$ 90,520,136	\$ 89,143,978	\$ 88,081,429	\$ 98,584,557	\$ 94,425,876
Change in Net Position:										
Governmental Activities	\$ (1,443,840)	\$ (538,456)	\$ (12,445,972)	\$ 5,009,712	\$ 2,829,310	\$ 5,897,330	\$ 3,373,478	\$ 2,711,554	\$ 3,831,474	\$ 4,240,510
Business-Type Activities	(223,092)	(120,104)	218,686	405,328	168,651	(23,729)	(29,786)	(29,390)	25,677	5,460
Total District	\$ (1,666,932)	\$ (658,560)	\$ (12,227,286)	\$ 5,415,040	\$ 2,997,961	\$ 5,873,601	\$ 3,343,692	\$ 2,682,164	\$ 3,857,151	\$ 4,245,970

Source: ACFR Schedule A-2

**MARLBORO TOWNSHIP SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

UNAUDITED

(Modified Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Fund:										
Restricted	\$ 9,908,689	\$ 10,856,190	\$ 9,506,783	\$ 9,590,905	\$ 10,001,169	\$ 12,126,067	\$ 8,864,994	\$ 7,557,935	\$ 8,452,495	\$ 6,953,497
Committed	-	-	-	-	-	818,077	908,957	1,896,829	1,118,967	242,378
Assigned	991,537	1,672,365	3,388,368	4,353,552	2,604,414	402,521	835,393	1,245,372	888,591	540,646
Unassigned	1,244,841	1,261,368	1,190,264	2,717,909	2,652,624	936,669	1,038,202	992,719	903,675	919,683
Total General Fund	\$ 12,145,067	\$ 13,789,923	\$ 14,085,415	\$ 16,662,366	\$ 15,258,207	\$ 14,283,334	\$ 11,647,546	\$ 11,692,855	\$ 11,363,728	\$ 8,656,204
All Other Governmental Funds:										
Restricted	\$ 93,988	\$ 94,432	\$ 100,941	\$ 101,601	\$ 100,481	\$ -	\$ -	\$ -	\$ 2	\$ 2
Assigned	265,300	-	-	-	9,892	9,894	1	-	-	-
Total All Other Governmental Funds	\$ 359,288	\$ 94,432	\$ 100,941	\$ 101,601	\$ 110,373	\$ 9,894	\$ 1	\$ -	\$ 2	\$ 2

Source: ACFR Schedule B-1

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Revenues										
Tax Levy	\$ 85,592,873	\$ 82,934,189	\$ 80,701,477	\$ 79,200,098	\$ 77,647,155	\$ 77,899,993	\$ 76,407,655	\$ 74,946,312	\$ 75,124,406	\$ 71,949,171
Tuition Charges	222,588	244,144	110,700	118,549	42,285	91,375	93,066	88,000	606,909	689,506
Interest Earnings	-	-	-	-	-	96,993	70,168	12,021	4,409	6,466
Miscellaneous	1,290,747	1,722,725	743,529	425,274	144,332	557,083	500,126	472,232	612,823	601,292
State Sources	32,380,266	31,330,129	32,825,335	30,935,545	27,709,742	26,240,330	25,823,795	25,037,696	23,196,629	22,224,133
Federal Sources	1,528,679	1,752,705	2,990,544	2,438,684	1,703,483	1,421,187	1,217,006	1,228,913	1,337,067	1,412,385
Total Revenues	121,015,153	117,983,892	117,371,585	113,118,150	107,246,997	106,306,961	104,111,816	101,783,174	100,882,243	96,882,953
Expenditures										
Instruction:										
Regular Instruction	28,391,368	27,892,258	26,857,296	26,004,696	28,836,295	27,199,430	41,820,235	41,130,875	35,630,723	33,944,530
Special Education Instruction	12,579,403	11,869,229	11,140,084	10,544,679	6,578,215	7,709,567	10,728,069	10,559,175	15,039,938	14,445,520
Other Instruction	2,618,312	2,583,463	2,427,992	2,421,816	2,173,464	2,345,824	3,160,636	3,495,268	3,399,493	3,708,410
Nonpublic School Programs	-	-	-	-	-	186,422	220,140	196,355	211,020	200,447
Support Services:										
Tuition	1,571,917	1,529,603	949,095	1,041,234	1,289,722	1,579,523	1,641,104	2,271,409	2,187,105	2,167,769
Attendance & Social Work Services	1,008,893	959,621	965,080	777,444	724,849	-	-	-	-	-
Health Services	1,108,867	913,710	968,042	1,030,187	944,148	-	-	-	-	-
Student & Instruction Related Services	8,506,131	7,998,476	7,705,989	8,218,819	8,079,648	8,944,485	14,058,779	13,154,581	11,643,131	11,211,083
Other Administrative Services	1,608,728	1,495,926	1,733,744	1,798,272	1,702,489	1,582,088	2,088,738	2,024,436	1,872,872	1,907,246
Central Services	757,629	711,314	670,200	654,012	641,746	-	-	-	-	-
Administration Information	716,587	541,959	613,759	775,922	1,063,641	-	-	-	-	-
Technology Services	4,324,964	4,331,039	4,375,522	4,225,757	4,177,261	4,145,824	6,377,101	6,280,594	6,094,720	5,942,388
School Administrative Services	-	-	-	-	-	1,335,750	1,903,905	1,906,880	1,685,804	1,715,773
Business Administrative Services	10,138,361	10,095,731	10,798,198	8,732,051	9,696,852	8,225,778	10,199,365	8,630,659	8,223,459	8,615,602
Plant Operations & Maintenance	5,405,523	5,461,265	5,246,822	4,939,741	4,220,563	4,490,046	6,070,587	6,007,250	5,653,980	5,471,156
Pupil Transportation	42,095,861	41,111,053	38,657,629	36,182,161	32,888,069	16,235,458	-	-	-	-
Unallocated Benefits	-	-	-	-	-	-	-	-	-	-
On Behalf TPAP Pension and Social Security Contributions	-	-	-	-	-	14,209,907	-	-	-	-
Capital Outlay	1,562,609	789,246	7,572,744	5,882,875	19,236,715	2,478,550	2,758,209	2,682,832	2,447,888	1,705,224
Debt Service:										
Principal	-	-	-	-	-	3,745,000	3,650,000	3,570,000	4,465,000	4,375,000
Interest & Other Charges	-	-	-	-	-	35,933	99,716	151,235	211,250	280,731
Total Expenditures	122,395,153	118,285,893	120,682,196	113,229,666	122,253,677	104,449,585	104,776,584	102,061,549	98,766,383	95,690,879
Other Financing Sources/(Uses):										
Capital Leases (Non-budgeted)	-	-	733,000	1,506,903	15,250,000	742,155	619,460	605,500	591,300	573,714
ESIP Reimbursements	-	-	-	-	-	9,892	-	-	-	-
Payments from Unemployment Reserve	-	-	-	-	(10,087)	-	-	-	-	-
Transfers in	683,992	-	-	-	-	-	-	-	364	-
Transfers Out	(683,992)	-	-	-	-	-	-	-	-	-
Total Other Financing Sources/(Uses)	-	-	733,000	1,506,903	15,239,913	752,047	619,460	605,500	591,664	573,714
Net Change in Fund Balances	\$ (1,380,000)	\$ (302,001)	\$ (2,577,611)	\$ 1,395,387	\$ 233,233	\$ 2,609,423	\$ (45,308)	\$ 329,125	\$ 2,707,524	\$ 1,765,788
Debt Service as a Percentage of Noncapital Expenditures	0.00%	0.00%	0.00%	0.00%	3.76%	3.71%	3.78%	4.97%	5.11%	5.12%

Source: ACFR Schedule B-2

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

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	INTEREST ON CAPITAL RESERVE	INTEREST ON MAINTENANCE RESERVE	TUITION OTHER	RENTALS	CONTRIBUTIONS	SALE OF PROPERTY	STUDENT FEES	MISCELLANEOUS	TOTAL
2025	\$ -	\$ 8,000	\$ 8,000	\$ 222,588	\$ 70,093	\$ -	\$ 20,000	\$ -	\$ 833,006	\$ 1,161,687
2024	206,533	1,000	2,000	244,144	82,286	10,930	-	89,766	951,889	1,588,548
2023	261,151	1,000	2,000	110,700	77,804	14,000	-	87,242	104,230	658,127
2022	3,000	-	-	118,549	70,518	-	-	-	224,047	416,114
2021	-	-	-	42,285	-	-	-	-	94,906	137,191
2020	84,042	12,951	-	91,375	82,144	62,207	-	81,185	331,547	745,451
2019	66,007	4,161	-	93,066	120,252	18,414	-	103,191	214,760	619,851
2018	11,378	643	-	88,000	101,733	88,115	-	119,364	128,681	537,914
2017	4,056	353	-	606,909	89,619	94,626	-	123,799	281,679	1,201,041
2016	6,320	146	-	689,506	86,496	91,995	-	123,949	265,852	1,264,264
Total	\$ 642,487	\$ 28,254	\$ 12,000	\$ 2,307,122	\$ 780,945	\$ 380,287	\$ 20,000	\$ 728,496	\$ 3,430,597	\$ 8,330,188

Source: District Records

Revenue Capacity Information

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

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

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	OFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ACTUAL (COUNTY EQUALIZED) VALUE
2025	\$ 49,140,200	\$ 6,719,731,170	\$ 32,610,200	\$ 927,900	\$ 526,641,800	\$ 81,161,800	\$ 84,058,000	\$ 7,494,271,070	\$ 7,494,271,070	1.192	\$ 11,370,892,374
2024	60,443,700	6,611,024,970	31,937,000	842,300	513,969,400	81,161,800	50,753,900	7,350,133,070	7,350,133,070	1.159	9,560,532,910
2023	64,210,825	6,969,964,036	33,722,310	926,758	533,479,980	85,626,694	53,799,134	7,741,729,737	7,741,729,737	1.128	9,150,392,151
2022	60,576,250	6,575,437,770	31,813,500	874,300	503,283,000	80,779,900	50,753,900	7,303,518,620	7,303,518,620	1.106	8,632,445,425
2021	53,888,350	6,566,454,270	31,805,300	905,600	497,299,500	80,779,900	50,753,900	7,281,886,820	7,281,886,820	1.088	8,223,019,294
2020	73,126,400	6,527,605,100	37,138,400	976,900	465,858,300	80,779,900	13,253,900	7,198,738,900	7,198,738,900	1.083	8,014,823,105
2019	72,740,400	6,536,377,400	37,138,400	986,900	465,915,800	80,779,900	16,162,900	7,210,101,700	7,210,101,700	1.082	7,999,685,880
2018	75,738,300	6,514,545,800	37,119,700	993,300	457,853,700	80,779,900	22,287,000	7,189,317,700	7,189,317,700	1.063	7,647,396,766
2017	62,232,800	6,511,414,300	38,867,800	1,079,700	457,480,800	79,030,300	22,287,000	7,172,392,700	7,172,392,700	1.045	7,458,811,044
2016	64,533,000	6,503,789,000	38,438,000	1,084,200	454,550,000	79,788,500	22,287,000	7,164,469,700	7,164,469,700	1.048	7,354,851,699

Source: District records tax list summary & municipal tax assessor.

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

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

FISCAL YEAR ENDED JUNE 30,	MARLBORO TOWNSHIP BOARD OF EDUCATION			FREEHOLD			OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	GENERAL OBLIGATION		TOTAL	REGIONAL		MARLBORO	LIBRARY/OTHER		MONMOUTH	
	BASIC RATE (a)	DEBT SERVICE (b)	DIRECT	SCHOOL DISTRICT	TOWNSHIP		COUNTY			
2025	1.192	-	1.192	0.581	0.450	0.064	0.276	2.563		
2024	1.159	-	1.138	0.486	0.445	0.018	0.253	2.302		
2023	1.128	-	1.128	0.486	0.418	0.012	0.262	2.306		
2022	1.106	-	1.106	0.480	0.409	0.019	0.251	2.265		
2021	1.088	-	1.088	0.472	0.401	0.010	0.272	2.243		
2020	1.040	0.043	1.083	0.473	0.393	0.022	0.297	2.268		
2019	1.040	0.042	1.082	0.474	0.378	0.010	0.321	2.265		
2018	1.021	0.042	1.063	0.458	0.379	0.010	0.317	2.227		
2017	1.003	0.042	1.045	0.456	0.376	0.019	0.287	2.183		
2016	0.991	0.057	1.048	0.440	0.377	0.019	0.290	2.174		

Source: District Records and Municipal Tax Collector

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

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

Taxpayer	2025		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
	N/A		
Total	<u>\$ -</u>		<u>0.000%</u>
Taxpayer	2016		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
	N/A		
Total	<u>\$ -</u>		<u>0.000%</u>

Source: District ACFR & Municipal Tax Assessor

**MARLBORO TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR		COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY (a)		COLLECTIONS IN SUBSEQUENT YEARS
			AMOUNT	PERCENTAGE OF LEVY	
2025	\$	85,592,873	\$ 85,592,873	100.00%	-
2024		82,934,189	82,934,189	100.00%	-
2023		80,701,477	80,701,477	100.00%	-
2022		79,200,098	79,200,098	100.00%	-
2021		77,647,155	77,647,155	100.00%	-
2020		77,899,993	77,899,993	100.00%	-
2019		76,407,655	76,407,655	100.00%	-
2018		74,946,312	74,946,312	100.00%	-
2017		75,124,406	75,124,406	100.00%	-
2016		71,949,171	71,949,171	100.00%	-

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

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

Debt Capacity Information

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

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED**

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	PERCENTAGE OF	
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES		PERSONAL INCOME (a)	PER CAPITA (a)
2025	\$ -	\$ 12,538,264	\$ 12,538,264	N/A	N/A
2024	-	13,681,625	13,681,625	0.56%	76,074
2023	-	14,942,874	14,942,874	0.46%	69,071
2022	-	15,580,432	15,580,432	0.46%	70,945
2021	-	1,421,561	1,421,561	4.92%	70,002
2020	-	1,325,300	1,325,300	5.21%	69,073
2019	3,745,000	1,187,570	4,932,570	1.38%	68,155
2018	7,395,000	1,051,241	8,446,241	0.80%	67,250
2017	10,965,000	803,589	11,768,589	0.56%	66,357
2016	15,430,000	563,592	15,993,592	0.41%	65,475

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 can be calculated using personal income and population for the prior calendar year.

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

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUSTANDING				PERCENTAGE OF ACTUAL TAXABLE VALUE (a) OF PROPERTY	PER CAPITA (b)
	GENERAL OBLIGATION BONDS	FINANCED PURCHASES	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2025	\$ -	\$ 12,538,264	\$ -	\$ 12,538,264	N/A	N/A
2024	-	13,681,625	-	13,681,625	N/A	76,074
2023	-	14,942,874	-	14,942,874	N/A	69,071
2022	-	15,580,432	-	15,580,432	N/A	70,945
2021	-	1,421,561	-	1,421,561	N/A	70,002
2020	-	1,325,300	-	1,325,300	N/A	69,073
2019	3,745,000	1,187,570	-	4,932,570	0.07%	68,155
2018	7,395,000	1,051,241	-	8,446,241	0.12%	67,250
2017	10,965,000	803,589	-	11,768,589	0.16%	66,357
2016	15,430,000	563,592	-	15,993,592	0.22%	65,475

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

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
YEAR ENDED JUNE 30, 2025
UNAUDITED

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Marlboro Township	\$ 72,092,498	100.00%	\$ 72,092,498
Other Debt:			
Marlboro Township Water Utility	37,763,104	100.00%	37,763,104
Marlboro Township Recreation and Swim Utility	1,380,361	100.00%	1,380,361
Western Monmouth Utility Authority	-	49.82%	-
Freehold Regional High School	-	24.07%	-
Monmouth County	-	6.25%	-
Subtotal, Overlapping Debt			111,235,963
Marlboro Township School District Direct Debt			-
Total Direct & Overlapping Debt			<u><u>\$ 111,235,963</u></u>

Sources: Marlboro Township Finance Office, Monmouth County Finance Office and Utility Authorities

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 Marlboro. 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.

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED
(Dollars in Thousands)

	FISCAL YEAR									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Debt Limit	\$ 313,154,490	\$ 273,391,074.00	\$ 257,933,976	\$ 242,375,283	\$ 242,839,100	\$ 236,619,058	\$ 227,313,937	\$ 217,215,595	\$ 209,420,562	\$ 215,940,803
Total Net Debt Applicable to Limit	-	-	-	-	-	4,010,338	7,550,484	7,395,000	10,965,000	15,430,000
Legal Debt Margin	\$ 313,154,490	\$ 273,391,074	\$ 257,933,976	\$ 242,375,283	\$ 242,839,100	\$ 232,608,720	\$ 219,763,453	\$ 209,820,595	\$ 198,455,562	\$ 200,510,803
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%	1.69%	3.32%	3.40%	5.24%	7.15%

<u>Legal Debt Margin Calculation</u>	
Equalized Valuation Basis	
2024	\$ 11,370,892,374
2023	10,384,023,720
2022	9,560,532,910
	<u>\$ 31,315,449,004</u>
Average Equalized Valuation of Taxable Property	<u>\$ 10,438,483,001</u>
Debt Limit (3% of Average Equalization Value)	\$ 313,154,490
Net Bonded School Debt	-
Legal Debt Margin	<u>\$ 313,154,490</u>

Source: Equalized valuation bases were obtained from the Monmouth County Board of Taxation

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts.

Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

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**MARLBORO TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2025	N/A	N/A	N/A	N/A
2024	41,478	2,388,123,269	69,071	4.55%
2023	41,547	2,341,297,323	70,945	4.70%
2022	41,502	2,336,624,075	70,002	6.90%
2021	39,640	2,331,960,155	69,073	6.90%
2020	39,874	2,327,305,544	68,155	3.00%
2019	40,306	2,322,660,223	67,250	3.40%
2018	40,330	2,318,024,175	66,357	3.80%
2017	40,684	-	65,475	4.00%
2016	40,671	-	64,606	4.90%

Source: U.S. Department of Commerce, Bureau of Economic Analysis. These numbers are estimated by the Bureau and may be revised from year to year.

a Population information provided by the NJ Dept of Labor and Workforce Development. These numbers are estimated by the Department and may be revised from year to year.

b Personal income has been estimated based upon the county population and per capita personal income presented.

^c Per capita personal income by county estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development.

**MARLBORO TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED**

		2025	
		EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
N/A			
Total		0	N/A
		2016	
		EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
N/A			
Total		0	N/A

Source: Township Administration Office

Note: Percentage of total employment not available

Operating Information

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

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

Function/Program	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Instruction:										
Regular	297	302	304	304	308	347	348	369	330	325
Special Education	114	120	117	117	112	60	60	66	108	109
Support Services:										
Student & Instruction Related Services	173	168	168	168	165	176	175	178	182	169
General Administration	8	9	9	9	8	8	8	8	8	9
School Administrative Services	38	41	41	41	41	42	42	42	37	37
Central Services	15	15	15	15	16	15	14	14	14	14
Plant Operations & Maintenance	89	89	89	89	88	88	88	88	90	88
Pupil Transportation	85	90	90	90	91	87	87	91	99	91
Total	819	834	833	833	829	823	822	856	868	842

Source: District Personnel Records

MARLBORO TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/ TEACHER RATIO (d)		AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEM	MIDDLE				
2025	4,503	\$ 97,451,195	\$ 21,641	3.28%	458	1:23	1:24	4,549	4,295	-1.15%	94.42%
2024	4,513	95,856,018	21,240	1.37%	509	1:23	1:24	4,552	4,292	-1.09%	94.29%
2023	4,555	95,444,355	20,954	2.73%	509	1:23	1:24	4,602	4,343	0.35%	94.37%
2022	4,625	94,338,364	20,397	-0.56%	506	1:23	1:24	4,586	4,502	0.66%	98.17%
2021	4,589	94,134,816	20,513	0.19%	507	1:23	1:24	4,556	4,459	-4.35%	97.87%
2020	4,796	98,190,103	20,473	1.32%	507	1:23	1:24	4,763	4,624	-0.31%	97.08%
2019	4,863	98,268,659	20,207	6.42%	506	1:23	1:24	4,778	4,573	-1.71%	95.71%
2018	4,961	94,200,419	18,988	6.12%	504	1:23	1:24	4,861	4,644	-1.14%	95.54%
2017	5,034	90,074,903	17,893	3.97%	508	1:23	1:24	4,917	4,732	-2.27%	96.24%
2016	5,095	87,686,302	17,210	6.73%	507	1:23	1:24	5,031	4,844	-2.29%	96.28%

Sources: District records and Schedules J-4, J-16

Note: Enrollment based on number of students at June 30.

a Operating expenditures equal total expenditures less debt service, capital outlay, and on-behalf TPAF Pension and reimbursed TPAF social security contributions. 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).

d Pupil/Teacher ratio was obtained from the Comparative Spending Guide

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>DISTRICT BUILDINGS</u>										
District Building										
Early Learning Center:										
David. C. Abbott Early Learning Center (Jan. 2002)										
Square Feet	39,538	39,538	39,538	39,538	39,538	39,538	39,538	39,538	39,538	39,538
Capacity	550	550	550	550	550	550	550	550	550	550
Enrollment	246	268	268	218	212	237	248	398	394	379
Elementary Schools:										
Defino Central (1956):										
Square Feet	79,452	79,452	79,452	79,452	79,452	79,452	79,452	79,452	79,452	79,452
Capacity	800	800	800	800	800	800	800	800	800	800
Enrollment	533	568	568	525	518	527	502	457	507	546
Robertsville (1967):										
Square Feet	70,880	70,880	70,880	70,880	70,880	70,880	70,880	70,880	70,880	70,880
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	480	451	451	466	456	476	534	577	556	535
Marlboro Elementary (1970):										
Square Feet	74,129	74,129	74,129	74,129	74,129	74,129	74,129	74,129	74,129	74,129
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	522	467	467	486	457	497	512	471	473	517
Asher Holmes (1973):										
Square Feet	70,825	70,825	70,825	70,825	70,825	70,825	70,825	70,825	70,825	70,825
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	444	485	485	469	456	497	572	592	587	620
Frank J. Dugan (1988):										
Square Feet	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000	83,000
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	636	678	678	624	623	642	598	546	572	620
Middle School:										
Marlboro Middle (1976):										
Square Feet	198,820	198,820	198,820	198,820	198,820	198,820	198,820	198,820	198,820	198,820
Capacity	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	949	1,035	1,035	994	995	1,058	1,059	1,031	1,077	1,105
Memorial Middle School (2003):										
Square Feet	153,275	153,275	153,275	153,275	153,275	153,275	153,275	153,275	153,275	153,275
Capacity	990	990	990	990	990	990	990	990	990	990
Enrollment	743	815	815	807	800	845	901	925	939	963

MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>DISTRICT BUILDINGS</u>										
Middle School:										
Administration Building										
Square Feet	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Transportation										
Square Feet	9,060	9,060	9,060	9,060	9,060	9,060	9,060	9,060	9,060	9,060
Maintenance Offices										
Square Feet	900	900	900	900	900	900	900	900	900	900

Number of Schools at June 30, 2025:
Early Learning Center = 1
Elementary = 5
Middle School = 2
Other = 3

Source: District Facilities Office, District Records

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

SCHOOL FACILITIES	PROJECT # (s)	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Defino Central Elementary	N/A	\$ 118,351	\$ 171,765	\$ 200,062	\$ 293,651	\$ 84,749	\$ 280,625	\$ 53,151	\$ 28,070	\$ 158,167	\$ 36,931
Frank Dugan Elementary	N/A	126,636	114,843	208,996	322,298	139,047	47,559	43,051	64,625	527,859	397,007
David C. Abbott Early Learning Center	N/A	58,895	98,774	99,557	110,538	52,896	76,101	71,417	24,967	33,120	38,664
Marlboro Elementary	N/A	110,421	131,740	186,658	188,844	56,691	96,752	35,738	120,542	32,632	29,061
Marlboro Memorial Middle School	N/A	228,316	218,489	385,949	111,742	111,029	54,374	86,669	153,591	91,475	24,334
Marlboro Middle School	N/A	296,159	309,966	500,632	300,383	130,569	616,552	142,134	139,900	94,582	159,413
Robertsville Elementary	N/A	105,582	49,321	178,477	196,147	99,767	65,162	44,612	90,448	65,240	188,114
Asher Holmes Elementary	N/A	105,500	38,240	178,339	153,606	72,823	186,888	52,944	33,001	31,800	181,916
Total School Facilities		1,149,860	1,133,138	1,938,670	1,677,209	747,571	1,424,013	529,716	655,144	1,034,875	1,055,440
Other Facilities		23,753.00	-	-	257,468.00	257,468	32,622	31,201	42,380	328,703	53,948
Grand Total		\$ 1,173,613	\$ 1,133,138	\$ 1,938,670	\$ 1,934,677	\$ 1,005,039	\$ 1,456,635	\$ 560,917	\$ 697,524	\$ 1,363,578	\$ 1,109,388

MARLBORO TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2025
UNAUDITED

COMPANY	TYPE OF COVERAGE	COVERAGE	DEDUCTIBLE
Utica	Property Blanket Building Contents- Replacement Cost Values	\$ 188,111,309	\$ 5,000
Utica	Flood	5,000,000 occ/	50,000
	Earthquake	5,000,000 agg.	25,000
Utica	General Liability		
	-Each Occurrence	1,000,000	-
	-General Aggregate	3,000,000	-
	-Prod/Completed Oper	3,000,000	-
	-Personal Injury	1,000,000	-
	-Fire Damage	1,000,000	-
	-Medical Expense Limit (Excluding Students)	10,000	-
	-Employee Benefit Liability	1,000,000	1,000
	-Aggregate	3,000,000	-
Utica	Automotive Coverage		
	-Combined Single Limit	1,000,000	-
	-Hired/Non-Owned	1,000,000	-
	-Uninsured & Underinsured	1,000,000	-
Utica	Inland Marine		
	-Electronic Data Processing Equipment	5,750,000	1,000
Utica	Crime Coverage		
	-Employee Dishonesty with Faithful Performance	100,000	500
	-Theft, Disappearance & Destruction Inside and Out	25,000	500
	-Computer Fraud	100,000	500
Utica	Boiler & Machinery Coverage	188,111,309	5,000
Utica	Catastrophe Liability Coverage		
	-Occurrence Limit	10,000,000	10,000
	-Aggregate Limit	10,000,000	-
	-Retained Limit	-	-
Utica	Board of Education		
	-School Leaders Errors and Omissions Each Loss (Coverage A & B)	1,000,000	10,000
	Aggregate (Shared)	3,000,000	10,000

**MARLBORO TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2025
UNAUDITED**

COMPANY	TYPE OF COVERAGE	COVERAGE	DEDUCTIBLE
National Union Fire	Accident-Volunteer Workers	250,000	N/A
Markel Insurance	Student Accident - Voluntary Program -Benefit Period 2 years	500,000	-
Travelers	Fidelity Bond -School Business Administrator/ Board Secretary	10,000	-
New Jersey School Boards Association Insurance Group	Worker's Compensation -Covered Payrolls - Professional -Covered Payrolls - Non-Professional Each Employee Aggregate	49,201,012 5,216,767 2,000,000 2,000,000	N/A N/A - -

Source: District Records

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SINGLE AUDIT SECTION

Fourth Section

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Marlboro Township School District
County of Monmouth
Marlboro, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Marlboro Township School District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated January 15, 2026.

Report On Internal Control Over Financial Reporting

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

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

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

Report On Compliance and Other Matters

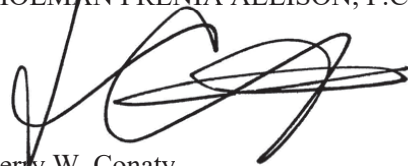
As part of obtaining reasonable assurance about whether the School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and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

Purpose of This Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'Jerry W. Conaty', with a large, stylized flourish extending to the right.

Jerry W. Conaty
Certified Public Accountant
Public School Accountant, No. 2470

Lakewood, New Jersey
January 15, 2026

EXHIBIT K-2

**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**

Honorable President and Members
of the Board of Education
Marlboro Township School District
County of Monmouth
Marlboro, New Jersey

Report on Compliance for Each Major Federal and State Program

Opinion on Each Major Federal and State Program

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

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

Basis for Opinion on Each Major Federal and State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards, the Uniform Guidance and New Jersey's OMB Circular 15-08 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 Marlboro Township School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal and state program. Our audit does not provide a legal determination of the School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and New Jersey OMB's Circular 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 School District's compliance with compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

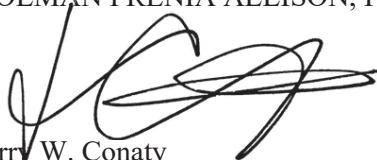
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

A handwritten signature in black ink, appearing to read 'Jerry W. Conaty', with a stylized, overlapping flourish.

Jerry W. Conaty

Certified Public Accountant

Public School Accountant, No. 2470

Lakewood, New Jersey
January 15, 2026

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

FEDERAL ASSISTANCE LISTING NUMBER	FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE OR CLUSTER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY IDENTIFYING NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2024	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	ADJUSTMENTS	BALANCE JUNE 30, 2025	
												UNEARNED REVENUE	(ACCOUNTS RECEIVABLE DUE TO GRANTOR)
93.778	2005NJ5MAP		100-03-4-7540-211	\$ 24,201	7/1/24-6/30/25	\$ -	\$ -	24,201	(24,201)	\$ -	\$ -	\$ -	\$ -
Total U.S. Department of Health and Human Services													
Total U.S. Department of Health and Human Services													
10.553	241NJ304N1099		100-01-0-3350-028	475.00	7/1/24-6/30/25	-	-	440	(475)	-	-	(35)	(35)
10.555	241NJ304N1099		100-01-0-3350-028	348.234	10/1/24-9/30/25	-	-	328.895	(348.234)	-	-	(19.339)	-
10.555	241NJ304N1099		100-01-0-3350-028	226.380	10/1/23-9/30/24	(15,021)	-	15,021	-	-	-	-	-
10.555	241NJ304N1099		100-01-0-3350-026	26.429	10/1/24-9/30/25	-	-	24.949	(26.429)	-	-	(1.480)	-
10.555	241NJ304N1099		100-01-0-3350-026	22.832	10/1/23-9/30/24	(1,274)	-	1,274	-	-	-	-	-
10.555	241NJ304N1199		100-01-0-3350-028	179.372	10/1/24-9/30/25	-	-	179.372	(137.651)	-	-	41,721	-
10.555	241NJ304N1199		100-01-0-3350-028	195.408	10/1/23-9/30/24	(41,721)	-	-	(41,721)	-	-	-	(20,819)
Total Child Nutrition Cluster													
10.646	20222S900941		100-01-0-3350-115	322	7/1/24-6/30/25	-	-	322	(322)	-	-	-	-
Total U.S. Department of Agriculture													
Total U.S. Department of Education													
84.425U	S425U240027		100-03-4-5120-523	1,085,506	3/13/20-9/30/24	-	-	11,850	-	-	11,850	-	-
84.425U	S425U240027		100-03-4-5120-523	381,839	3/13/20-9/30/24	(4,523)	-	4,522	-	-	1	-	-
84.425U	S425U240027		100-03-4-5120-523	40,000	3/13/20-9/30/24	(40,000)	-	40,000	-	-	-	-	-
84.425U	S425U240027		100-03-4-5120-523	45,000	3/13/20-9/30/24	-	-	15,258	(15,258)	-	-	-	-
Total U.S. Department of Education													
84.010A	S010A240030		100-03-4-5064-194	167,571	7/1/24-6/30/25	(123,415)	-	26,942	(204,273)	-	-	(177,331)	-
84.010A	S010A230030		100-03-4-5064-194	178,997	7/1/23-9/30/24	(123,415)	-	150,357	(204,273)	-	-	(177,331)	-
84.367A	S167A240029		100-03-4-5063-290	67,440	7/1/24-6/30/25	-	-	10,495	(74,951)	-	-	(64,456)	-
84.367A	S167A230029		100-03-4-5063-290	78,247	7/1/23-9/30/24	(17,778)	-	28,273	(74,951)	-	-	(64,456)	-
84.365A	S365A240030		100-03-4-5064-187	30,433	7/1/24-6/30/25	-	-	12,728	(38,843)	-	-	(26,115)	-
84.365A	S365A230030		100-03-4-5064-187	30,515	7/1/23-9/30/24	(24,792)	-	24,792	-	-	-	-	-
84.365A	S365A220030		100-03-4-5064-187	5,644	7/1/23-9/30/24	(5,643)	-	5,643	-	-	-	-	-
Total U.S. Department of Education													
84.424	S424A240031		100-03-4-5064-187	12,478	7/1/24-6/30/25	(2,671)	-	13,083	(13,415)	-	-	(332)	-
84.424	S424A230031		100-03-4-5064-187	109,297	7/1/23-9/30/24	(2,671)	-	2,671	-	-	-	(332)	-
Special Education Cluster													
84.027A	H027A240100		100-03-4-5065-016	1,086,661	7/1/24-6/30/25	-	-	946,739	(1,080,278)	-	-	(133,539)	-
84.027A	H027A230100		100-03-4-5065-016	1,110,266	7/1/23-9/30/24	(262,685)	-	262,685	-	-	-	-	-
Total U.S. Department of Education													
84.173A	H173A240114		100-03-4-5065-020	69,948	7/1/24-6/30/25	-	-	40,000	(69,948)	-	-	(29,948)	-
84.173A	H173A230114		100-03-4-5065-020	125,035	7/1/23-9/30/24	(46,239)	-	46,239	-	-	-	-	-
Total Special Education Cluster													
Total U.S. Department of Education													
21.019	SLT0007		100-03-4-5120-516	9,528	3/13/20-9/30/23	(52,746)	-	1,604,840	(1,496,966)	-	11,851	(431,721)	-
Total U.S. Department of Treasury													
Total Expenditures of Federal Awards													

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MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2025

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE JUNE 30, 2024	CARRYOVER (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE, JUNE 30, 2025		MEMO CUMULATIVE TOTAL EXPENDITURES			
										UNEARNED REVENUE	(ACCOUNTS RECEIVABLE)		DUE TO GRANTOR		
New Jersey Department of Education:															
General Fund:															
State Aid Public:		\$		\$	-	\$	3,934,546	\$	(3,934,546)	\$	-	\$	392,272	\$	3,934,546
Special Education Categorical Aid	495-034-5120-089		7/1/24-6/30/25	-	-	-	349,448	-	-	-	-	-	-	349,448	
Security Aid	495-034-5120-084		7/1/24-6/30/25	-	-	-	349,448	-	-	-	-	-	-	349,448	
Equalization Aid	495-034-5120-078	2,584,696	7/1/24-6/30/25	-	-	2,584,696	(2,584,696)	-	-	-	-	-	-	257,693	2,584,696
Total State Aid Public				-	-	6,868,690	(6,868,690)	-	-	-	-	-	-	684,805	6,868,690
Transportation Aid	495-034-5120-014	1,189,069	7/1/24-6/30/25	-	-	-	1,189,069	-	-	-	-	-	-	118,550	1,189,069
Extraordinary Aid	495-034-5120-044	474,346	7/1/24-6/30/25	-	-	-	-	-	-	-	-	-	-	474,346	-
Additional Non-Public Transportation Aid	495-034-5120-044	404,298	7/1/23-6/30/24	(404,298)	-	404,298	-	-	-	-	(474,346)	-	-	-	-
Additional Non-Public Transportation Aid	495-034-5120-014	107,530	7/1/24-6/30/25	-	-	-	-	-	-	-	(107,530)	-	-	-	107,530
State Reimbursement for Menstrual Products	495-034-5120-014	96,278	7/1/23-6/30/24	(96,278)	-	96,278	-	-	-	-	-	-	-	-	-
Lead Testing for Schools Aid	495-034-5120-104	13,712	7/1/24-6/30/25	-	-	-	-	-	-	-	(13,712)	-	-	-	13,712
Reimbursed TPAF Social Security Contributions	495-034-5120-003	12,020	7/1/24-6/30/25	-	-	-	-	-	-	-	(12,020)	-	-	-	12,020
Reimbursed TPAF Social Security Contributions	495-034-5094-003	3,299,578	7/1/24-6/30/25	-	-	3,138,799	(3,299,578)	-	-	-	(160,779)	-	-	-	3,299,578
TPAF - Post Retirement		3,210,228	7/1/23-6/30/24	(160,668)	-	160,668	-	-	-	-	-	-	-	-	-
Medical (Noncash Assistance)	495-034-5094-001	4,397,177	7/1/24-6/30/25	-	-	4,397,177	(4,397,177)	-	-	-	-	-	-	-	4,397,177
TPAF - Pension				-	-	-	-	-	-	-	-	-	-	-	-
Contributions (Noncash Assistance)	495-034-5094-002	15,048,478	7/1/24-6/30/25	-	-	15,048,478	(15,048,478)	-	-	-	-	-	-	-	15,048,478
TPAF - Long-Term Disability				-	-	-	-	-	-	-	-	-	-	-	-
Insurance (Noncash Assistance)	495-034-5094-004	6,322	7/1/24-6/30/25	-	-	6,322	(6,322)	-	-	-	-	-	-	-	6,322
Total General Fund				(661,244)	-	31,309,779	(31,416,922)	-	-	-	(768,387)	-	-	803,355	31,416,922
Special Revenue Fund:															
Non-Public Aid:				-	-	-	-	-	-	-	-	-	-	-	-
Textbooks	100-034-5120-064	14,781	7/1/24-6/30/25	-	-	14,781	(14,667)	-	-	-	-	-	-	-	14,667
Textbooks	100-034-5120-064	14,974	7/1/23-6/30/24	344	-	-	-	-	-	-	-	114	-	-	-
Nursing Services	100-034-5120-070	38,220	7/1/24-6/30/25	-	-	38,220	(37,237)	-	(344)	-	-	-	-	-	37,237
Technology Aid	100-034-5120-373	14,161	7/1/24-6/30/25	-	-	14,161	(13,447)	-	-	-	-	983	-	-	37,237
Technology Aid	100-034-5120-373	12,691	7/1/23-6/30/24	565	-	-	-	-	-	-	(13,447)	-	-	-	13,447
Security Aid	100-034-5120-389	60,270	7/1/24-6/30/25	-	-	60,270	(58,030)	-	-	-	-	714	-	-	13,447
Security Aid	100-034-5120-389	54,120	7/1/23-6/30/24	21,067	-	-	-	-	-	-	(565)	-	-	-	565
Auxiliary Services Aid (Chapter 192):				-	-	-	-	-	-	-	(21,067)	-	-	-	58,030
Compensatory Education	100-034-5120-067	38,147	7/1/24-6/30/25	-	-	38,147	(20,218)	-	-	-	-	-	-	-	20,218
Compensatory Education	100-034-5120-067	49,449	7/1/22-6/30/23	7,783	-	-	-	-	-	-	(7,783)	-	-	-	-
English as a Second Language	100-034-5120-067	5,297	7/1/24-6/30/25	-	-	5,297	(2,807)	-	-	-	-	2,490	-	-	2,807
Transportation	100-034-5120-068	9,762	7/1/22-6/30/23	9,762	-	-	-	-	-	-	(9,762)	-	-	-	-
Handicapped Services (Chapter 193):				-	-	-	-	-	-	-	-	-	-	-	-
Examination and Classification	100-034-5120-066	33,371	7/1/24-6/30/25	-	-	33,371	(32,125)	-	-	-	-	1,246	-	-	32,125
Examination and Classification	100-034-5120-066	45,778	7/1/23-6/30/24	1,326	-	-	-	-	-	-	(1,326)	-	-	-	-
Corrective Speech	100-034-5120-066	16,089	7/1/24-6/30/25	-	-	16,089	(16,089)	-	-	-	-	-	-	-	16,089
Supplementary Instruction	100-034-5120-066	27,919	7/1/24-6/30/25	-	-	27,919	(25,791)	-	-	-	-	2,128	-	-	25,791
SDA Emergent Needs and Capital Maintenance	100-034-5120-519	104,559	7/1/21-6/30/22	104,559	-	-	-	-	-	-	-	-	-	-	104,559
SDA Emergent Needs and Capital Maintenance	100-034-5120-519	104,249	7/1/22-6/30/23	104,249	-	-	(104,249)	-	-	-	-	-	-	-	104,249
Total Special Revenue Fund				249,655	-	248,255	(429,219)	-	(40,847)	-	-	27,844	-	-	429,219
Capital Projects Fund:															
New Jersey School Development Authority:				-	-	-	-	-	-	-	-	-	-	-	-
HVAC Upgrades - Various Schools	Various	595,200.00	4/4/24-Completion	-	-	-	(595,200)	-	-	-	(595,200)	-	-	(595,200)	-
Total Capital Projects Fund				-	-	-	(595,200)	-	-	-	(595,200)	-	-	-	-
New Jersey Department of Agriculture:															
Enterprise Fund:				-	-	-	-	-	-	-	-	-	-	-	-
Suite Breakfast Program	495-010-3350-002	175	7/1/24-6/30/25	-	-	151	(175)	-	-	-	-	-	-	-	175
National School Lunch Program	495-010-3350-001	33,302	7/1/24-6/30/25	-	-	31,523	(33,302)	-	-	-	(24)	-	-	-	33,302
National School Lunch Program	495-010-3350-001	25,992	7/1/23-6/30/24	(1,486)	-	1,486	-	-	-	-	(1,779)	-	-	-	-
S-EBT Administrative Costs Grant	100-010-3370-003	322	7/1/24-6/30/25	-	-	322	(322)	-	-	-	-	-	-	-	322
Total Enterprise Fund				(1,486)	-	33,482	(33,799)	-	-	-	(1,803)	-	-	-	33,799
Total State Financial Assistance				\$ (413,075)	\$ -	\$ 31,591,516	\$ (32,475,140)	\$ -	\$ (40,847)	\$ -	\$ (1,365,390)	\$ 27,844	\$	208,155	\$ 31,879,940
State Financial Assistance Programs not Subject to Calculation for Major Program Determination:															
TPAF - Post Retirement				-	-	-	-	-	-	-	-	-	-	-	-
Medical (Noncash Assistance)	495-034-5094-001	\$ 4,397,177	7/1/24-6/30/25	-	-	\$	4,397,177	-	-	-	-	-	-	-	-
TPAF - Pension				-	-	-	-	-	-	-	-	-	-	-	-
Contributions (Noncash Assistance)	495-034-5094-002	15,048,478	7/1/24-6/30/25	-	-	15,048,478	-	-	-	-	-	-	-	-	-
TPAF - Long-Term Disability				-	-	-	-	-	-	-	-	-	-	-	-
Insurance (Noncash Assistance)	495-034-5094-004	6,322	7/1/24-6/30/25	-	-	6,322	-	-	-	-	-	-	-	-	-
Total State Financial Assistance Subject to Calculation for Major Program Determination				\$ -	-	\$ (13,023,163)	-	-	-	-	-	-	-	-	-

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

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

Note 1. Basis of Presentation

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

Note 2. Summary of Significant Accounting Policies

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

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

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

MARLBORO TOWNSHIP SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2025 (Continued)

Note 3. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$55,670) for the general fund and \$2,107 of local awards which are not included on the Schedules of Expenditures of Federal Awards and State Financial Assistance. Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 24,201	\$ 31,361,252	\$ 31,385,453
Special Revenue Fund	1,504,478	423,814	1,928,292
Capital Projects Fund	-	595,200	595,200
Food Service Fund	554,833	33,799	588,632
Total Awards & Financial Assistance	<u>\$ 2,083,512</u>	<u>\$ 32,414,065</u>	<u>\$ 34,497,577</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

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

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
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	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> none reported
Noncompliance material to financial statements noted?	_____ yes	_____ <u>X</u> no

Federal Awards

Internal control over major programs:		
1) Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
2) Significant deficiency(ies) identified?	_____ yes	_____ <u>X</u> 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) of Uniform Guidance?		
	_____ yes	_____ <u>X</u> no

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027A	H027A240100	Special Education Cluster:
84.173A	H173A240114	I.D.E.A. Part B
		I.D.E.A. Preschool

Dollar threshold used to determine Type A programs	\$	750,000
Auditee qualified as low-risk auditee?	_____ yes	_____ <u>X</u> no

State Financial Assistance

Identification of major programs:

Name of State Program

Reimbursed TPAF Social Security Contributions

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025**

Section II - Financial Statement Findings

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

None.

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025**

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

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

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**MARLBORO TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
YEAR ENDED JUNE 30, 2025**

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

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.