

SCHOOL DISTRICT
OF
QUINTON TOWNSHIP
OF SALEM COUNTY

Quinton Township School District
Quinton, New Jersey

ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2025

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

Of the

Quinton Township School District
of Salem County

Quinton, New Jersey

For the Fiscal Year Ended June 30, 2025

Prepared by

Quinton Board of Education
Finance Department

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INTRODUCTORY SECTION

Quinton Township School District

8 Robinson Street, P.O. Box 365
Quinton, NJ 08072

Karen Klaus
Business Administrator/Board Secretary
kklaus@quintonschool.info

Phone: (856) 935-2379
Fax: (856) 935-1978

December 5, 2025

Honorable President and Members
of the Board of Education
Quinton Township School District
8 Robinson Street
Quinton, New Jersey 08072

Dear Board Members:

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

The annual comprehensive financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the independent auditor's report, ACFR, and the basic financial statements, including the District-wide statements, fund statements, notes to the financial statements, required supplementary information other than ACFR, including budgetary comparison schedules, and other supplementary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The Quinton Township School District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and/or the reporting requirements under NJ OMB Treasury Circular Letter 15-08, "Audits of State and Local Governments, and "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments." Information related to this single audit, including the auditor's reports on the internal control and compliance with applicable laws and regulations and findings and recommendations, if any, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

The District provides a full range of educational services appropriate to grade levels PreK to 8. Approximately 37% of Quinton Township high school students attend Salem High School through a sending/receiving relationship, for which the Quinton School District pays tuition. The remaining 63% attend the Salem County Vocational Technical School and the academy programs, for which the Quinton School District pays a portion of the tuition. These services include regular, as well as special education for our students. Some special education students are also enrolled in programs outside the District, for which the Quinton School District pays tuition.

2. ECONOMIC CONDITIONS AND OUTLOOK

Growth of businesses and employment levels are not expected in Quinton Township. The future outlook for the District finances continues to depend primarily upon the funding provided by the Governor and State Legislature and the funding received from the Quinton Township residents through the tax levy.

3. MAJOR INITIATIVES

The District has continued its commitment toward offering a quality education. For the year ended June 30, 2025, the District directed its efforts and resources toward the following goals and initiatives:

By June, 2025 59.3% of the students in grades 1-8 will meet or exceed expectations on the English Language Arts NJSLA - ELA assessment (3-8) and/or other measures of success (grades 1-2) as a result of implementation of the Response to Intervention Program, Intervention and Referral Services Program, Implementation of Professional Learning Communities, Professional Development, and the incorporation of a new reading, writing and phonics series.

By June, 2025 100% of our students who are in grades K-4 will increase their foundational Fountas and Pinnell Oral Comprehension levels by two levels.

By June, 2025 57.5% of the students in grades 1-8 will meet or exceed expectations on the Mathematics NJSLA - Math assessment (3-8) and/or other measures of success (grades 1-2) as a result of implementing the Envisions Program, Intervention and Referral Services, Professional Development, and IXL.

By June, 2025 80.0% of the students in grades 8 will meet or exceed expectations on the Mathematics NJSLA - Algebra assessment as a result of implementing the Envisions Program, Intervention and Referral Services, Professional Development, IXL, Accelerated Mathematics 7 Course and Algebra I Course.

By June, 2025 100% of our staff will have training in Verbal de-escalation skills. Verbal de-escalation is defined as a targeted intervention for use with a student who is at risk for aggression. It involves using calm language along with other communication techniques to diffuse, redirect, or de-escalate a conflict situation. To better support students who become emotionally escalated, teachers will participate in training/s to learn and strengthen de-escalation techniques. Teachers will document de-escalation training/s on their Professional Development Record Sheet. Teachers will also share and discuss de-escalation techniques/ideas during grade level PLC meetings.

By June, 2025 100% of our students (Grades PreK-8) will participate in our comprehensive guidance program by participating in a targeted lesson to address one or more of the following topics: Social / Emotional Wellness and College and/or Career Preparation.

As always, all initiatives are based on a complete program of professional development and support. Many in-service programs were offered to the teaching staff that addressed the needs of the teachers. Teachers attended many workshops, both online and in-person that addressed a variety of topics.

An instructional coach worked with our students on writing skills and best practices. They participated in professional development that focused on data-driven instruction. Professional development in the area of neurological deficits was also provided to assist teachers in understanding how children learn and retain information. Ongoing professional development is provided to develop an understanding of student behaviors and the challenges that may be encountered. A behavior specialist has provided coaching and professional development tailored toward supporting students with behavioral needs.

4. MAJOR ACHIEVEMENT

The Quinton Township School District continues to strive for excellence and raise the bar for the staff as well as the students. Data collected with regards to NJSLA scores shows that the students have shown academic growth due to the high teacher SGP scores. The District is also proud of the fact that our Algebra students perform well on the NJSLA assessment and are able to enter high school already having passed one of the graduation requirements set forth by the State Board of Education.

Additionally, in 2022, per the requirements of the N.J.A.C. 6A:30, the Quinton Township School District completed the New Jersey Quality Single Accountability Continuum (NJQSAC) review and was designated as “high performing.”

The Quinton Township School District has also started a preschool disabled classroom, where we house a few of our own students. We also have 4 other students from other districts attend our program, where they pay tuition. Keeping our own students in house is a way for the district to save money and also sustain the program without affecting our budget.

Our district was awarded the high impact tutoring grant in March to provide our staff with professional development that focuses on effective literacy instruction. The grant will enable our staff to have much needed resources to support their instruction in the 2025-25 school year. We have added an intervention manager to provide data-driven, intensive interventions and professional development to best meet the needs of our struggling students. Our district will have an assessment tool that will indicate specific learning needs to provide effective interventions due to the funding provided with this grant.

5. INTERNAL ACCOUNTING CONTROLS

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of the financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

5. INTERNAL ACCOUNTING CONTROLS (CONTINUED)

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

6. BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by voters of the municipality. Annual appropriated budgets are adopted for the General Fund, the Special Revenue Fund, and the Debt Service Fund. Project-length budgets, though not applicable, would be approved for the capital improvements accounted for in the Capital Projects Fund. The final budget amount for the fiscal year is reflected in the financial section.

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

7. ACCOUNTING SYSTEM AND REPORTS

The District's accounting records reflect generally accepted accounting principles, as promulgated by the GASB. The accounting system of the District is organized on the basis of funds and account groups which are converted from governmental fund balances to net position.

8. DEBT ADMINISTRATION

As of June 30, 2025, the District's outstanding debt issues included \$515,000 of General Obligation Bonds.

9. CASH MANAGEMENT

The investment policy of the District is guided in large part by the state statutes as detailed in "Notes to the Financial Statements," Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

10. RISK MANAGEMENT

The Board carries various forms of insurance, including but not limited to general liability, automobile liability, comprehensive/collision, hazard and theft insurance on property and contents, school board liability, workers compensation, and fidelity bonds.

11. OTHER INFORMATION

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nightlinger, Colavita & Volpa was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB's Circular 15-08.

The auditor's report on the basic financial statements is included in the financial section of this Report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

12. ACKNOWLEDGMENTS

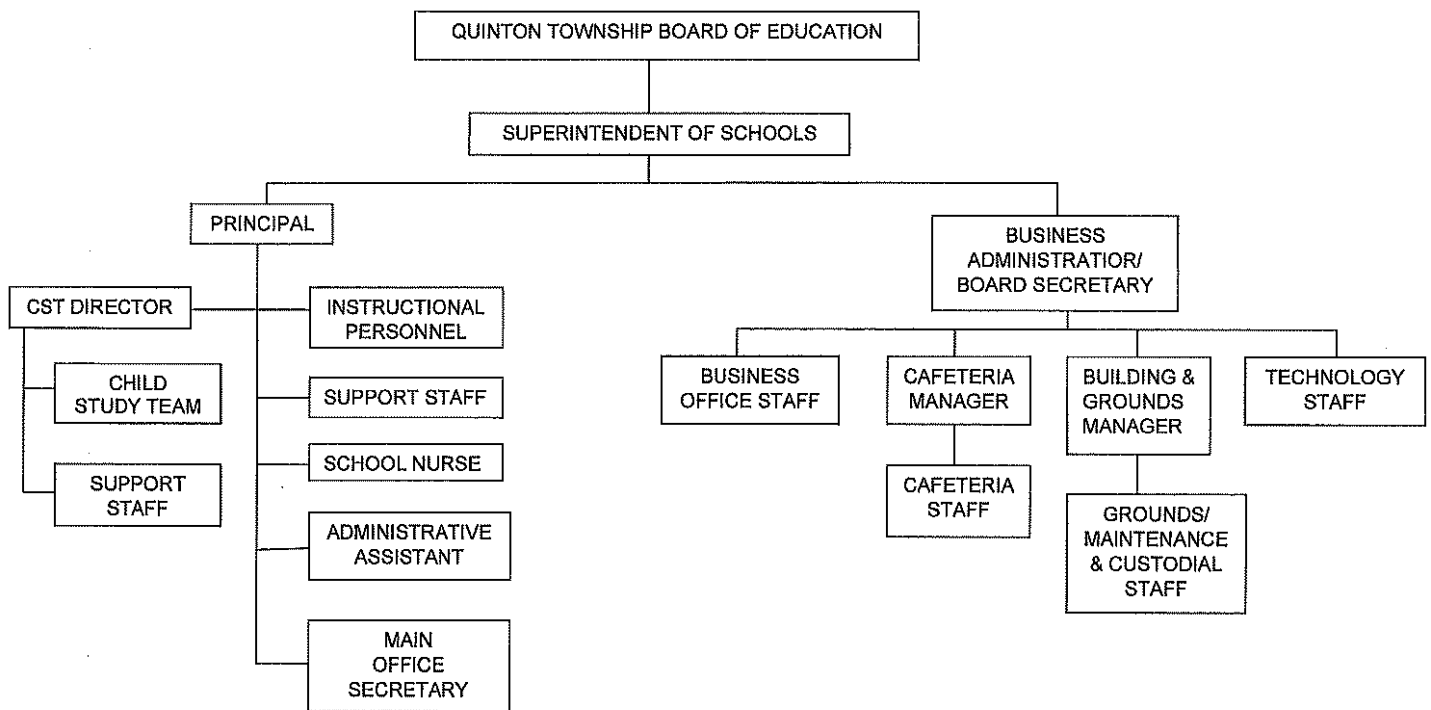
We would like to express our appreciation to the members of the Quinton Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial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

Respectfully submitted,

Joseph Bollendorf
Joseph Bollendorf
Interim Superintendent

Karen Klaus
Karen Klaus
Business Administrator/Board Secretary

QUINTON TOWNSHIP SCHOOL DISTRICT ORGANIZATIONAL STRUCTURE



Quinton Township School District
Quinton, New Jersey

Roster of Officials
June 30, 2025

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Jeanette Harrington, President	2026
Joanne Nacucchio, Vice President	2026
Abram Norman	2025
Anthony Mott	2025
Joseph Longo III	2026
Lawrence Winkels	2027
Zachary Mayer	2027
Tracy Scull	2026
Michael Sites	2025

Other Officials

Joseph Bollendorf, Interim Superintendent of Schools

Gwen Herman, Principal

Karen Klaus, School Business Administrator/Board Secretary

Mindy Bacon, Early Childhood Coordinator

Quinton Township School District
Consultants and Advisors

Official Depository

Fulton Bank of New Jersey
125 Salem-Woodstown Road
Salem, New Jersey 08079

Audit Firm

Jump, Perry and Company, L.L.P.
12 Lexington Avenue
Toms River, New Jersey 08753

Attorney

Mr. Mark G. Toscano, Esq.
Comegno Law Group, PC
521 Pleasant Valley Avenue
Moorestown, NJ 08057

Insurance Agency

Conner Strong & Buckelew Companies, LLC
40 Lake Center Executive Park
401 Route 73 North
Marlton, NJ 08053.

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Quinton Township School District:
County of Salem
Quinton, New Jersey

Report on the Audit of 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 Board of Education of the Quinton Township School District in the County of Salem, State of New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the 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 Board of Education of the Quinton Township School District in the County of Salem, State of New Jersey as of June 30, 2025 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards 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 Board of Education of the Quinton Township School District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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 Board of Education of the Quinton Township School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board of Education of the Quinton Township 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 Board of Education of the Quinton Township School District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise of the Board of Education of the Quinton Township School District's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards 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.

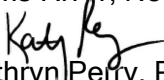
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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 December 5, 2025 on our consideration of Quinton Township 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 solely describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Quinton Township School District 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 Quinton Township School District's internal control over financial reporting and compliance.

Respectfully Submitted,

Jump, Perry and Company L.L.P.
Toms River, New Jersey


Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

Toms River, NJ
December 5, 2025

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Quinton Township School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2025
Unaudited

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

Financial Highlights

Key financial highlights for June 30, 2025 are as follows:

Net position totaled \$3,540,053, which represents a 12.32 percent decrease from June 30, 2024.

General revenues accounted for \$6,608,846 in revenue or 74.55 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$2,256,727 or 25.45 percent of total revenues of \$8,865,573.

Total assets decreased by \$827,764 as current assets decreased by \$413,512 and capital assets, net decreased by \$414,252.

The School Board had \$9,363,134 in expenses; only \$2,256,727 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$6,608,846 were adequate to provide for these programs.

Among major funds, the General Fund had \$7,066,323 in revenues and \$7,283,943 in expenditures and transfers. The General Fund's balance decreased \$217,620 over June 30, 2024. The General Fund's balance is \$1,963,709.

Using this Annual Comprehensive Financial Report (ACFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the School Board, presenting both an aggregate view of the School Board's finances and longer-term view of those finances. Fund financial statements provide the next level of detail. For government funds, these statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements also look at the School Board's most significant funds with all other non-major funds presented in total in one column. In the case of Quinton Township School District, the General Fund is by far the most significant.

Reporting the School Board as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and Statement of Activities provide information about the activities of the entire School District and are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business.

These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. The change in net position is important because it informs the reader that, for the School District as a whole, the financial position of the School District has improved or worsened. The causes of the change may be the result of many factors, some financial and some not. Non-financial factors include, but are not limited to, the District's property tax base, current laws in New Jersey restricting revenue growth, facility conditions, and required educational programs. In the Statement of Net Position and the Statement of Activities, the School Board is divided into two kinds of activities:

Governmental Activities - All of the School Board's programs and services are reported here including, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. Internal Service fund is reported as governmental activities.

Business-Type Activities - This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Funds and SACC Program are reported as business activities.

Reporting the School Board's Most Significant Funds

Fund Financial Statement

The Analysis of the School Board's major funds begins with Exhibit B-1. Fund financial reports provide detailed information about the School Board's major funds. The School Board's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

Governmental Funds

The School Board's activities are reported in governmental funds, which focus on how money flows into and out of the funds and balances left at year-end available for spending in the future years. These funds are reported using a modified accrual accounting method which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School Board's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities.

The School Board as a Whole

The Statement of Net Position provides the financial perspective of the School Board as a whole.

Table 1 provides a summary comparison of the School Board's net position for June 30, 2025 and 2024.

Table 1

Net Position as of June 30, 2025 and June 30, 2024

	June 30, 2025			June 30, 2024		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 2,157,141	\$ 28,499	\$ 2,185,640	\$ 2,533,072	\$ 66,080	\$ 2,599,152
Capital assets, net	2,473,136	12,738	2,485,874	2,885,692	14,434	2,900,126
Total assets	4,630,277	41,237	4,671,514	5,418,764	80,514	5,499,278
Deferred outflow of resources	201,602	-	201,602	277,790	-	277,790
Liabilities:						
Current liabilities	70,927	4,773	75,700	248,526	4,773	253,299
Long-term liabilities outstanding	1,088,943	-	1,088,943	1,402,319	-	1,402,319
Total liabilities	1,159,870	4,773	1,164,643	1,650,845	4,773	1,655,618
Deferred inflow of resources	168,420	-	168,420	83,836	-	83,836
Net position:						
Net investment in capital assets	1,958,136	12,738	1,970,874	2,235,692	14,434	2,250,126
Restricted	1,934,260	-	1,934,260	1,879,929	-	1,879,929
Unrestricted	(388,807)	23,726	(365,081)	(153,748)	61,307	(92,441)
Total Net Position	\$ 3,503,589	\$ 36,464	\$ 3,540,053	\$ 3,961,873	\$ 75,741	\$ 4,037,614

The unrestricted net position is a negative balance due to the unfunded liabilities for compensated absences and PERS pension. The District expects to be able to fund these liabilities as they come due yearly.

The School Board's combined net position was \$3,540,053 on June 30, 2025. This is a change of (12.32)% from the previous year.

Table 2 provides a comparison analysis of School Board's changes in net position from fiscal years June 30, 2025 and 2024.

Table 2

Changes in Net Position

	June 30, 2025			June 30, 2024		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues						
Program revenues:						
Charges for services	\$ 307,741	\$ 39,252	\$ 346,993	\$ 32,744	\$ 47,608	\$ 80,352
Operating and capital grants and contributions	1,771,525	138,209	1,909,734	2,233,682	138,469	2,372,151
General revenues:						
Property taxes	3,000,981	-	3,000,981	2,928,770	-	2,928,770
Federal and state aid	3,368,453	-	3,368,453	3,422,951	-	3,422,951
Investment earnings	11,984	-	11,984	16,254	-	16,254
Miscellaneous	227,428	-	227,428	341,497	-	341,497
Total revenues	8,688,112	177,461	8,865,573	8,975,898	186,077	9,161,975
Expenses						
Instructional services	3,051,576	-	3,051,576	3,227,433	-	3,227,433
Support services	6,080,129	216,738	6,296,867	5,846,298	247,314	6,093,612
Interest on long-term liabilities	14,691	-	14,691	12,681	-	12,681
Total expenses	9,146,396	216,738	9,363,134	9,086,412	247,314	9,333,726
Change in net position	(458,284)	(39,277)	(497,561)	(110,514)	(61,237)	(171,751)
Change in net position after transfers	<u>(458,284)</u>	<u>(39,277)</u>	<u>(497,561)</u>	<u>(110,514)</u>	<u>(61,237)</u>	<u>(171,751)</u>
Net position - beginning	3,961,873	75,741	4,037,614	4,072,387	136,978	4,209,365
Net position (deficit) - ending	<u>\$ 3,503,589</u>	<u>\$ 36,464</u>	<u>\$ 3,540,053</u>	<u>\$ 3,961,873</u>	<u>\$ 75,741</u>	<u>\$ 4,037,614</u>

The tax levy increase was due in general to cover increased costs in salaries and benefits, utilities and the debt service.

Regular instructional costs increased due to contractual increases in salary and benefits as well as program maintenance, support services and enhancements.

Other support services increased primarily due to the an increase in other purchased professional services from the Special Revenue Fund.

Expenses for Fiscal Year June 30, 2025

Business-Type Activities

Revenues for the District's business-type activities (food service program and SACC Program) were comprised of charges for services and royalties.

Total Enterprise Fund expenses exceeded revenues by \$39,277. This was mostly due to a decrease federal funding in food service.

Charges for services represent \$39,252 of revenue. This represents the amount paid by royalties.

Federal and state reimbursements for meals, payments for free and reduced lunches and donated commodities was \$138,209.

Governmental Activities

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

Table 3

Governmental Activities

	2025		2024	
	Total Cost of <u>Services</u>	Net Cost of <u>Services</u>	Total Cost of <u>Services</u>	Net Cost of <u>Services</u>
Instruction	\$ 3,051,576	\$ 1,975,120	\$ 3,227,433	\$ 2,437,121
Support Services:				
Pupils and Instructional Staff	3,084,163	2,071,077	3,158,294	1,676,948
General Administration, School Administration, Business Operation and Maintenance of Facilities	2,364,636	2,364,636	2,295,126	2,295,126
Pupil Transportation	631,330	631,330	392,878	392,878
Interest and Fiscal Charges	<u>14,691</u>	<u>14,691</u>	<u>12,681</u>	<u>12,681</u>
Total Expenses	<u>\$ 9,146,396</u>	<u>\$ 7,056,854</u>	<u>\$ 9,086,412</u>	<u>\$ 6,814,754</u>

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

Extracurricular activities includes expenses related to student activities provided by the District which are designed to provide opportunities for students to participate in school and public events for the purpose of motivation, enjoyment, skill improvement, school spirit and leadership. Approximately 90% of the High School student population participates in extracurricular activities.

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

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

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

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

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the District.

The School Board's Funds

The School Board uses funds to control and manage money for particular purposes. The Fund's basic financial statements allow the School Board to demonstrate its stewardship over and accountability for resources received from the Borough of Quinton, State of New Jersey and other entities. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2025, it reported a combined fund balance of \$1,908,562, which is an decrease of \$270,192. The Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds, Exhibit B-2, presents the reader with a detailed explanation of the increase in fund balance for the fiscal year.

The following schedule presents a summary of General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund revenues for the fiscal year ended June 30, 2025.

<u>Revenue</u>	<u>2025 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2024</u>	<u>Percent of Increase/ (Decrease)</u>
Local Sources	\$ 3,578,607	42.11 %	\$ 278,571	(124.54)%
State Sources	4,490,465	52.84	(65,732)	29.39
Federal Sources	<u>429,540</u>	<u>5.05</u>	<u>(436,518)</u>	<u>195.15</u>
Total	<u>\$ 8,498,612</u>	<u>100.00 %</u>	<u>\$ (223,679)</u>	<u>100.00 %</u>

The following schedule presents a summary of General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2025.

<u>Expenditures</u>	<u>2025 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2024</u>	<u>Percent of Increase/ (Decrease)</u>
Current Expenditures:				
Instruction	\$ 2,933,227	33.51 %	\$ (147,472)	(315.10)%
Undistributed				
Expenditures	5,623,474	64.22	260,953	557.57
Capital Outlay	55,222	0.63	(74,928)	(160.10)
Debt Service:				
Principal	135,000	1.54	10,000	21.37
Interest	<u>9,107</u>	<u>0.10</u>	<u>(1,751)</u>	<u>(3.74)</u>
Total	<u>\$ 8,756,030</u>	<u>100.00 %</u>	<u>\$ 46,802</u>	<u>100.00 %</u>

General Fund Budgeting Highlights

The School Board's budget is prepared according to New Jersey law and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures.

A schedule showing the School Board's original and final budget compared with actual operating results is provided in Section C of the ACFR, entitled Budgetary Comparison Schedules. The School Board generally did better than had been budgeted in its General Fund since it practices conservative budgetary practices in which revenues are forecasted very conservatively and expenditures are budgeted with worst-case scenarios in mind.

The General Fund finished the fiscal year approximately \$517,932 less than had been budgeted in terms of expenditures. Revenue-wise, the General Fund fared about \$284,865 better than expected. Both these amounts have been adjusted for the non-budgeted amounts reflected in the comparison schedule for reimbursed TPAF social security contributions and on-behalf TPAF post-retirement medical contributions.

The General Fund has restricted a portion of its Fund Balance. The restricted Fund Balance items are as follows:

Excess Surplus - Designated for Subsequent Year	
Expenditures	\$ 641,122
Capital Reserve	308,872
Maintenance Reserve	151,526
Unemployment Compensation	39,434
Excess Surplus - Current Year	668,095

These restricted reserves are regulated as to their use by the State of New Jersey. Therefore, the Board places funds in the reserves in combination with the future financial needs of the District.

The expenditures were less due to cost containment by the Board even after the salary and benefit increases. General supplies were purchased at better prices than expected due to the school board joining other schools in cooperative bidding. The district also joined a co-op for energy consumption, which was done after the budget was struck. Through efforts made in finding jointures with other local districts, and increase students on district owned vehicles the district transportation costs were lowered for special needs students.

The revenue situation arose primarily because of tuition received from out of district students.

The excesses will be carried forward into the beginning fund balance from the 2024-2025 fiscal year and will be used to reduce the local tax levy for the 2026-2027 fiscal year.

Capital Assets and Debt Administration

Capital Assets. At the end of the fiscal year June 30, 2025, the School Board had \$2,485,874 invested in land, buildings, and machinery and equipment.

Table 4

Capital Assets (Net of Depreciation) at June 30, 2025 and June 30, 2024

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 8,757	\$ 8,757	\$ -	\$ -	\$ 8,757	\$ 8,757
Site Improvements	78,408	83,082	-	-	78,408	83,082
Building and Improvements	2,269,904	2,651,633	-	-	2,269,904	2,651,633
Machinery and Equipment	116,067	142,220	12,738	14,434	128,805	156,654
Total	\$ 2,473,136	\$ 2,885,692	\$ 12,738	\$ 14,434	\$ 2,485,874	\$ 2,900,126

During the current fiscal year, \$- of capital assets were capitalized as additions. Increases in capital assets were offset by depreciation expense for the year.

Debt Administration. The District's long-term liabilities are as follows for the governmental and business-type activities :

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Bonds Payable (net)	\$ 515,000	\$ 650,000
Pension Liability-PERS	543,683	729,959
Compensated Absences payable	<u>30,260</u>	<u>22,360</u>
Total long-term liabilities	<u>\$ 1,088,943</u>	<u>\$ 1,402,319</u>

For more detailed information, please refer to the Capital Assets and Long-term debt notes in the basic financial statements.

Economic Factors and Next Year's Budget

For the 2024-2025 school year, the School Board was able to sustain its budget through the local tax levy, state education aid and local revenue sources. Approximately 57.89% of the School Board's revenue is from federal, state and local aid (restricted and not restricted), while 42.11% of total revenue is from local sources.

The \$(388,807) in unrestricted net position for all governmental activities represents the accumulated results of all past years' operations. It means that if the School Board had to pay off all bills today, including all of the School Board's non-capital liabilities (compensated absences, etc.), the School Board would have that much in value.

The 2024-2025 budget was adopted in March 2024 based in part on the state education aid the School Board anticipated receiving. Any future increases based on the enrollment formula, originally formulated to allocate state education aid amongst school boards, will be minimal. Future decreases in local revenue and state education aid will place additional burden on Quinton Township School District for increased aid.

The School Board anticipates a slight increase in enrollment for the 2025-2026 fiscal year. If the School Board were to experience a significant increase in enrollment with no appreciable increase in state aid for future budgets, the School Board will be faced with the following alternatives: (a) reduce programs and services, (b) increase local tax levy or (c) seek alternative sources of funding.

Contacting the School Board's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or need additional information, you may contact the School Business Administrator/Board Secretary at Quinton Township School District, Quinton, NJ, 08742.

BASIC FINANCIAL STATEMENTS

QUINTON TOWNSHIP SCHOOL DISTRICT
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,642,680	\$ 2,108	\$ 1,644,788
Receivables - state	80,840	237	81,077
Receivables - federal government	39,768	8,595	48,363
Receivables-other	389,080	11,013	400,093
Interfund receivables	4,773	-	4,773
Inventory	-	6,546	6,546
Capital assets, non-depreciable	8,757	-	8,757
Capital assets, depreciable, net	2,464,379	12,738	2,477,117
Total assets	<u>4,630,277</u>	<u>41,237</u>	<u>4,671,514</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - PERS	176,430	-	176,430
Deferred charges on refunding	25,172	-	25,172
Total deferred outflows of resources	<u>201,602</u>	<u>-</u>	<u>201,602</u>
LIABILITIES			
Accounts payable	1,020	-	1,020
Other current liabilities	2,706	-	2,706
Interfund payable	-	4,773	4,773
Unearned revenue	67,201	-	67,201
Noncurrent liabilities:			
Due within one year	145,590	-	145,590
Due beyond one year	943,353	-	943,353
Total liabilities	<u>1,159,870</u>	<u>4,773</u>	<u>1,164,643</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - PERS	168,420	-	168,420
Total deferred inflows of resources	<u>168,420</u>	<u>-</u>	<u>168,420</u>
NET POSITION			
Net Investment in capital assets	1,958,136	12,738	1,970,874
Restricted for:			
Capital projects	308,872	-	308,872
Other purposes	1,625,388	-	1,625,388
Unassigned	(388,807)	23,726	(365,081)
Total net position	<u>\$ 3,503,589</u>	<u>\$ 36,464</u>	<u>\$ 3,540,053</u>

QUINTON TOWNSHIP SCHOOL DISTRICT
 Statement of Activities
 For the Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities:							
Current:							
Regular instruction	\$ 2,582,982	\$ 300,600	\$ 775,856	\$ -	\$ (1,506,526)	\$ -	\$ (1,506,526)
Special schools instruction	290,292	-	-	-	(290,292)	-	(290,292)
Other special instruction	178,302	-	-	-	(178,302)	-	(178,302)
Support services and undistributed costs:							
Instruction	1,463,093	-	-	-	(1,463,093)	-	(1,463,093)
Attendance	17,203	-	-	-	(17,203)	-	(17,203)
Health services	63,738	-	-	-	(63,738)	-	(63,738)
Other support services	1,030,219	7,141	505,185	-	(517,893)	-	(517,893)
Educational media services	14,288	-	-	-	(14,288)	-	(14,288)
Instruction staff training	5,138	-	-	-	(5,138)	-	(5,138)
General administrative services	236,820	-	-	-	(236,820)	-	(236,820)
School administrative services	100,247	-	-	-	(100,247)	-	(100,247)
Information technology	131,341	-	-	-	(131,341)	-	(131,341)
Allowed maintenance for school facilities	102,449	-	-	-	(102,449)	-	(102,449)
Other operation & maintenance of plant	855,340	-	-	-	(855,340)	-	(855,340)
Student transportation services	631,330	-	-	-	(631,330)	-	(631,330)
Unallocated employee benefits	898,328	-	-	-	(898,328)	-	(898,328)
Non-budgeted expenses	490,484	-	490,484	-	-	-	-
Charter schools	40,111	-	-	-	(40,111)	-	(40,111)
Interest on long-term debt	14,691	-	-	-	(14,691)	-	(14,691)
Total governmental activities	9,146,396	307,741	1,771,525	-	(7,067,130)	-	(7,067,130)
Business-type activities:							
Food Service program	216,738	39,252	138,209	-	-	(39,277)	(39,277)
SACC Program	-	-	-	-	-	-	-
Total business-type activities	216,738	39,252	138,209	-	-	(39,277)	(39,277)
Total primary government	\$ 9,363,134	\$ 346,993	\$ 1,909,734	\$ -	\$ (7,067,130)	\$ (39,277)	\$ (7,106,407)
General revenues:							
Taxes:							
Property taxes levied for general purpose					\$ 2,883,938	-	\$ 2,883,938
Taxes levied for debt service					117,043	-	117,043
Federal and state aid not restricted					3,341,389	-	3,341,389
Federal and state aid restricted					27,064	-	27,064
Miscellaneous income					227,428	-	227,428
Investment earnings					11,984	-	11,984
Total general revenues					6,608,846	-	6,608,846
Change in net position					(458,284)	(39,277)	(497,561)
Net position—beginning					3,961,873	75,741	4,037,614
Net position—ending					\$ 3,503,589	\$ 36,464	\$ 3,540,053

QUINTON TOWNSHIP SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 889,672	\$ 305,948	\$ -	\$ -	\$ 1,195,620
Capital reserve	266,702	-	-	-	266,702
Due from other funds	457,300	-	-	-	457,300
Receivables from state	61,912	-	18,928	-	80,840
Receivables from Federal government	-	39,768	-	-	39,768
Other receivables	289,143	99,937	-	-	389,080
Intergovernmental accounts receivables	-	-	-	-	-
Total assets	<u>\$ 1,964,729</u>	<u>\$ 445,653</u>	<u>\$ 18,928</u>	<u>\$ -</u>	<u>\$ 2,429,310</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,020	\$ -	\$ -	\$ -	\$ 1,020
Accrued wages and payroll liabilities	-	-	-	-	-
Due to other funds	-	433,599	18,928	-	452,527
Payable to state government	-	-	-	-	-
Unearned revenue	-	67,201	-	-	67,201
Total liabilities	<u>1,020</u>	<u>500,800</u>	<u>18,928</u>	<u>-</u>	<u>520,748</u>
Fund Balances:					
Restricted for:					
Excess surplus - current year	668,095	-	-	-	668,095
Excess surplus - prior year- designated for Subsequent year's expenditures	641,122	-	-	-	641,122
Capital reserve account	308,872	-	-	-	308,872
Maintenance reserve account	151,526	-	-	-	151,526
Tuition reserve account	-	-	-	-	-
Capital projects	-	-	-	-	-
Unemployment Compensation	39,434	-	-	-	39,434
Student Activities	-	331	-	-	331
Technology Trust	-	9,986	-	-	9,986
Debt services	-	-	-	-	-
Committed to:					
Other purposes	-	-	-	-	-
Assigned to:					
Other purposes	76,233	-	-	-	76,233
Designated by the BOE for subsequent year's expenditures	84,357	-	-	-	84,357
Unassigned:					
General fund	(5,930)	-	-	-	(5,930)
Special revenue fund	-	(65,464)	-	-	(65,464)
Total Fund balances	<u>1,963,709</u>	<u>(55,147)</u>	<u>-</u>	<u>-</u>	<u>\$ 1,908,562</u>
Total liabilities and fund balances	<u>\$ 1,964,729</u>	<u>\$ 445,653</u>	<u>\$ 18,928</u>	<u>\$ -</u>	

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	2,473,136
Deferred outflows related to debt refinancing	25,172
Deferred outflows related to the PERS pension plan	176,430
Deferred inflows related to the PERS pension plan	(168,420)
Accrued interest payable	(2,706)
Internal service funds - net position	180,358
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds	<u>(1,088,943)</u>
Net position of governmental activities	<u>\$ 3,503,589</u>

QUINTON TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local tax levy	\$ 2,883,938	\$ -	\$ -	\$ 117,043	\$ 3,000,981
Tuition charges	300,600	-	-	-	300,600
Interest income	11,984	-	-	-	11,984
Miscellaneous	37,928	227,114	-	-	265,042
Total - Local sources	3,234,450	227,114	-	117,043	3,578,607
State sources	3,831,873	631,528	-	27,064	4,490,465
Federal sources	-	429,540	-	-	429,540
Total revenues	7,066,323	1,288,182	-	144,107	8,498,612
EXPENDITURES					
Current:					
Regular instruction	1,688,777	775,856	-	-	2,464,633
Special education instruction	290,292	-	-	-	290,292
Other special instruction	178,302	-	-	-	178,302
Undistributed - current:					
Instruction	1,463,093	-	-	-	1,463,093
Attendance	17,203	-	-	-	17,203
Health services	63,738	-	-	-	63,738
Other support services	484,400	545,819	-	-	1,030,219
Educational media services	14,288	-	-	-	14,288
Instruction staff training	5,138	-	-	-	5,138
General administrative services	236,820	-	-	-	236,820
School administrative services	100,247	-	-	-	100,247
Information technology	131,341	-	-	-	131,341
Allowed maintenance for school facilities	102,449	-	-	-	102,449
Other operation & maintenance of plant	374,788	-	-	-	374,788
Care & upkeep of grounds	1,152	-	-	-	1,152
Security	11,622	-	-	-	11,622
Student transportation services	631,330	-	-	-	631,330
Business and other support services	-	-	-	-	-
Unallocated employee benefits	922,225	-	-	-	922,225
Non-budgeted expenditures	490,484	-	-	-	490,484
Undistributed Food Service	-	-	-	-	-
Special schools	-	-	-	-	-
Transfer to charter schools	40,111	-	-	-	40,111
Debt service:					
Principal	-	-	-	135,000	135,000
Interest and other charges	-	-	-	9,107	9,107
Capital outlay	36,143	19,079	-	-	55,222
	-	-	-	-	-
Total expenditures	7,283,943	1,340,754	-	144,107	8,768,804
Excess of revenues over expenditures	(217,620)	(52,572)	-	-	(270,192)
OTHER FINANCING SOURCES (USES)					
Local Contribution-Tfr to Spec Rev-Inclusion	(45,393)	45,393	-	-	-
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources and uses	(45,393)	45,393	-	-	-
Net change in fund balances	(263,013)	(7,179)	-	-	(270,192)
Fund balance—July 1	2,226,722	(47,968)	-	-	2,178,754
Fund balance—June 30	\$ 1,963,709	\$ (55,147)	\$ -	\$ -	\$ 1,908,562

**QUINTON TOWNSHIP SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Year Ended June 30, 2025**

Total net change in fund balances - governmental funds (from B-2) \$ (270,192)

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

	Depreciation expense	\$ (412,556)	
	Capital outlays	<u> -</u>	(412,556)

In the Statement of Activities, the PERS pension expense is the amount paid plus net change in the Deferred Outflows, Deferred Inflows and pension liability as reported by the State of New Jersey	31,797
---	--------

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.	135,000
---	---------

In the statement of activities, interest expense is recorded when paid. In the governmental funds, the interest is expensed when due and shown as payable at year end.	709
---	-----

Internal Service Fund - Increase in Net Position	71,151
--	--------

In the statement of activities, the amortization of bond issuance costs is recorded as interest expense. In the governmental funds, the amortization is not recorded.	(6,293)
--	---------

In the statement of activities, certain operating expenses, e.g., compensated absences (sick leave) and special termination benefits (early retirement incentive) 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, essentially, the amounts actually paid.	<u>(7,900)</u>
--	----------------

Change in net position of governmental activities	<u><u>\$ (458,284)</u></u>
--	-----------------------------------

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

	Business-type Activities -			Governmental Activities -
	Food Service	SACC Program	Total Enterprise	Internal Service Fund
Assets:				
Current assets:				
Cash and cash equivalents	\$ 2,108	\$ -	\$ 2,108	\$ 180,358
Accounts receivable:				
State	237	-	237	-
Federal	8,595	-	8,595	-
Other	141	10,872	11,013	-
Interfunds	-	-	-	-
Inventories	6,546	-	6,546	-
Total current assets	<u>17,627</u>	<u>10,872</u>	<u>28,499</u>	<u>180,358</u>
Capital assets:				
Equipment	94,398	-	94,398	-
Accumulated depreciation	(81,660)	-	(81,660)	-
Total capital assets	<u>12,738</u>	<u>-</u>	<u>12,738</u>	<u>-</u>
Total assets	<u>\$ 30,365</u>	<u>\$ 10,872</u>	<u>\$ 41,237</u>	<u>\$ 180,358</u>
Liabilities and Net Position:				
Liabilities:				
Interfund payable	\$ -	\$ 4,773	\$ 4,773	\$ -
Total liabilities	<u>-</u>	<u>4,773</u>	<u>4,773</u>	<u>-</u>
Net position:				
Net investment in capital assets	12,738	-	12,738	-
Unassigned	17,627	6,099	23,726	180,358
Total net position	<u>30,365</u>	<u>6,099</u>	<u>36,464</u>	<u>180,358</u>
Total liabilities and net position	<u>\$ 30,365</u>	<u>\$ 10,872</u>	<u>\$ 41,237</u>	<u>\$ 180,358</u>

QUINTON TOWNSHIP SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Business-type Activities -			Governmental
	Food Service	SACC Program	Total Enterprise	Activities - Internal Service Fund
Operating revenues:				
Charges for services:				
Daily sales - reimbursable programs	\$ 39,252	\$ -	\$ 39,252	\$ -
Daily sales - non-reimbursable programs	-	-	-	-
Shared Services	-	-	-	189,500
Total operating revenues	<u>39,252</u>	<u>-</u>	<u>39,252</u>	<u>189,500</u>
Operating expenses:				
Cost of sales - reimbursable programs	107,558	-	107,558	-
Cost of sales - non-reimbursable programs	11,057	-	11,057	-
Salaries	77,662	-	77,662	118,349
Employee benefits	5,881	-	5,881	-
Purchased tech service	1,926	-	1,926	-
Purchased property service	3,616	-	3,616	-
Miscellaneous	7,342	-	7,342	-
Depreciation	1,696	-	1,696	-
Total operating expenses	<u>216,738</u>	<u>-</u>	<u>216,738</u>	<u>118,349</u>
Operating income (loss)	<u>(177,486)</u>	<u>-</u>	<u>(177,486)</u>	<u>71,151</u>
Nonoperating revenues (expenses):				
State sources:				
Summer EBT Administrative Cost	321	-	321	-
State school breakfast program	487	-	487	-
State school lunch program	3,306	-	3,306	-
Federal sources:				
National school breakfast program	28,193	-	28,193	-
National school lunch program	105,580	-	105,580	-
Summer EBT Administrative Cost	322	-	322	-
Food distribution program	-	-	-	-
Total nonoperating revenues (expenses)	<u>\$ 138,209</u>	<u>\$ -</u>	<u>\$ 138,209</u>	<u>\$ -</u>
Change in net position	<u>(39,277)</u>	<u>-</u>	<u>(39,277)</u>	<u>71,151</u>
Total net position—beginning	<u>69,642</u>	<u>6,099</u>	<u>75,741</u>	<u>109,207</u>
Total net position—ending	<u>\$ 30,365</u>	<u>\$ 6,099</u>	<u>\$ 36,464</u>	<u>\$ 180,358</u>

QUINTON TOWNSHIP SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-type Activities -			Governmental
	Food Service	SACC Program	Total Enterprise	Activities - Internal Service Fund
Cash Flows from Operating Activities:				
Operating income (loss)	\$ (177,486)	\$ -	\$ (177,486)	\$ 71,151
Adjustments to reconcile operating loss to cash (used in) provided by operating activities:				
Depreciation	1,696	-	1,696	-
Loss on disposal of capital assets	-	-	-	-
Federal commodities	-	-	-	-
Change in assets and liabilities:				
Decrease (increase) in interfund receivable	-	-	-	-
Decrease (increase) in local receivable	9,632	-	9,632	-
Decrease (increase) in inventory	(3,040)	-	(3,040)	-
Decrease (increase) in unearned revenue	-	-	-	-
Decrease (increase) in accounts payable	-	-	-	-
Net cash provided by (used in) operating activities	<u>(169,198)</u>	<u>-</u>	<u>(169,198)</u>	<u>71,151</u>
Cash Flows from Noncapital Financing Activities:				
Cash received from state and federal reimbursements	<u>135,352</u>	<u>-</u>	<u>135,352</u>	<u>-</u>
Net cash provided by (used in) noncapital financing activities	<u>135,352</u>	<u>-</u>	<u>135,352</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	(33,846)	-	(33,846)	71,151
Cash and cash equivalents, July 1	<u>35,954</u>	<u>-</u>	<u>35,954</u>	<u>109,207</u>
Cash and cash equivalents, June 30	<u>\$ 2,108</u>	<u>\$ -</u>	<u>\$ 2,108</u>	<u>\$ 180,358</u>

Quinton Township School District

Notes to Financial Statements

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The Quinton Township School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials who are responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District.

The financial statements of the Board of Education of the Quinton Township School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in (GAAP) and used by the District are discussed below.

A. Reporting Entity

The Quinton Township School District is a Type II District located in the County of Salem, 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 elected to three-year terms each. The purpose of the District is to educate students in grades K-8. The Quinton Township School District had an approximate enrollment at June 30, 2025 of 283 students.

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

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

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

The basic financial statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the District's over-all financial position and results of operations.

Basic financial statements prepared using full-accrual accounting for all of the District's activities.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide Statements

The School District's basic financial statements include both Government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the Government-wide and fund financial statements categorize primary activities as either governmental or business-type.

The District's general, special revenue, capital projects, and debt service are classified as Governmental Activities. The District's food service program is classified as Business-type Activities.

In the Government-wide Statement of Net Position, both the Governmental and Business-type Activities columns (a) are presented on a consolidated basis by column, and (b) are reported on a full accrual, economic resource basis which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts: invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The Government-wide Statement of Activities reports both the gross and net costs of each of the District's functions and Business-type Activity (food service). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenue, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student and instruction related services, etc.) or Business-type Activities. Operating grants include operating specific and discretionary (either operating or capital) grants while the capital grants column reflects capital specific grants.

The net costs (by function or Business-type Activity) are normally covered by general revenue (property taxes, tuition, interest income, etc.).

The District does not allocate indirect costs such as employee benefits, on-behalf Teacher's Pension and Annuity Fund (TPAF) Pension contributions and TPAF Social Security Contributions.

The Government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. The Government-wide financial statements do not include fiduciary activity.

C. Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Financial Statements (Continued)

The District reports the following Governmental Funds:

GOVERNMENTAL FUNDS

The focus of the Governmental Funds' measurement (in the fund statements) is upon determination of financial position and change in financial position (sources, uses and balances of financial resources) rather than upon net income. The following is a description of the Governmental Funds of the District.

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

As required by the New Jersey State Department of Education, the District included 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.

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

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

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

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

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Financial Statements (Continued)

GOVERNMENTAL FUNDS (CONTINUED)

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

PROPRIETARY FUNDS

The focus of the Proprietary Funds' measurement is upon the determination of operating income, changes in net assets, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to business in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise Funds - The Enterprise Funds account for all revenues and expenses pertaining to the Board's operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services on a continuing basis are financed or recovered primarily through user charges.

The District's Enterprise Fund is comprised of the Food Service Fund and the SACC Program.

Internal Service Fund - The Internal Service Fund accounts for the financing of services provided by one department to other departments of the School District, or to other governments on a cost-reimbursement basis. Internal Service Fund - The internal service fund is utilized to charge costs for certain activities to individual funds or other governmental entities.

The District's internal service fund is comprised of Shared Services for Early Childhood and Trauma Coordinator, School Psychologist, Nurse services, Mental Health counseling, Business Services, Ground Maintenance, Technology, and Library Media services.

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

Equipment

12 - 20 years

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Financial Statements (Continued)

FIDUCIARY FUNDS

Fiduciary Funds are used to report assets held by the District in a trustee capacity or as an agent for individuals, private organizations, or other Governments, and therefore, not available to support District programs. The reporting focus is on net position, changes in net position, and are reported using accounting principles similar to Proprietary Funds.

The emphasis in fund financial statements is on the major funds in either the Governmental or Business- type Activities categories. Non-major funds by category are summarized into a single column. GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements.

The District's Fiduciary Funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third and cannot be used to address activities or obligations of the government, these funds are not incorporated into the Government-wide statements.

The District does not have Fiduciary Funds.

D. Basis of Accounting and Measurement Focus:

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

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

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

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

E. Cash and Cash Equivalents

Cash and cash equivalents include petty cash, change funds, cash in banks, money market accounts, 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 agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

For purposes of determining cash equivalents the District considers all investments with an original maturity of three months or less as cash equivalents.

New Jersey School Districts are limited to the types of investments and types of financial institutions they may invest in. However, NJSA 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey School Districts.

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

NJSA 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 depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks), and savings banks; the deposits of which are federally insured. All public depositories must pledge collateral, having a market value of at least 5% 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.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Inventories

Inventories in the General Fund consist of expendable supplies held for the District's use and are carried at cost using first-in first-out method. Inventories in the Enterprise Fund are valued at cost, which approximates market, using first-in first-out method. Inventory in the Food Service Fund as of June 30, 2025, consisted of the following:

Food	\$ 5,151
Supplies	<u>1,395</u>
	<u>\$ 6,546</u>

The value of federal donated commodities as reflected in Schedule A (required by Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements.

G. Capital Assets

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical costs or estimated historical cost. Donated capital assets are valued at their estimated fair market value on the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is computed using the straight-line method over the estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Site improvements	15-20
Building & improvements	20-50
Machinery & equipment	5-20

GASB No. 34 requires the District to report and depreciate new infrastructure assets. Infrastructure assets include roads, parking lots, underground pipe, etc. Neither their historical costs nor related depreciation has historically been reported in the financial statements. The District has included infrastructure assets in the current fiscal year.

H. Revenues

Substantially all Governmental Fund revenue is accrued. Property taxes are susceptible to accrual and under New Jersey State statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable."

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Revenues (Continued)

Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue based on GASB No. 33. In applying GASB No. 33 to grant revenues, the provider recognizes liabilities and expenses and recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met are reported as advances by the provider and deferred revenue by the recipient.

Substantially all Governmental Fund revenue is accrued. Property taxes are susceptible to accrual and under New Jersey State statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable." Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue based on GASB No. 33. In applying GASB No. 33 to grant revenues, the provider recognizes liabilities and expenses and recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met are reported as advances by the provider and deferred revenue by the recipient.

I. Expenditures

Expenses are recognized when the related fund liability is incurred. Inventory costs reported in the period when inventory items are used, rather than in the period purchased.

J. Compensated Absences

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

In Governmental Funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as expenditures and fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absence liability is reported in the District- wide Financial Statements as a Governmental Activity.

In Proprietary and similar Trust Funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Interfund Receivables/Payables

Transfers between Governmental and Business-type Activities on the District-wide statements are reported in the same manner as general revenues. 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 the Enterprise Fund. Repayment from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the Statement of Net Position, except for amounts due between Governmental and Business-type Activities or Governmental and Agency Funds, which are presented as internal balances.

L. Accrued Salaries and Wages

None of the School District's employees who provide services to the District over the ten month academic year, have the option to have their salaries evenly disbursed during the entire twelve month year.

M. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budgets are submitted to the county office for approval and are approved as long as the District budget is within State mandated CAP's, there is no public vote on the budget. If the budget exceeds State mandated CAP's, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the Special Revenue Fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in NJAC 6:23- 2(g).

Budget amendments/transfers of appropriations must be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools. All budget amendments presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The Capital Projects Fund presents the remaining project appropriations compared to current year expenditures.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Budgets/Budgetary Control (Continued)

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 one or more June state aid payments 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 grants 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.

N. 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 Special Revenue Fund, are reported as reservations of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the Special Revenue Fund, for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end.

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

O. Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

P. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the District-wide financial statements. In general, Governmental Fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full, from current financial resources, which are reported as obligations of the funds.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Accrued Liabilities and Long-Term Obligations (Continued)

However, contractually required pension contributions and compensated absences that are paid from Governmental Funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

Q. Allocation of Indirect Expenses

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

R. Extraordinary and Special Items

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

S. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Accordingly, actual results could differ from those estimates.

T. Fund Balance Reserves

Fund Balance - The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Non-spendable - The non-spendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

T. Fund Balance Reserves (Continued)

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, granters, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the Business Administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes.

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

When an expenditure is incurred for purposes for which both Restricted and Unrestricted Fund balances are available, the District considers Restricted Funds to have been spent first. When an expenditure is incurred for which Committed, Assigned, or Unassigned Fund balance are available, the District considers amounts to have been spent first out of Committed Funds, then Assigned Funds, and finally Unassigned Funds, as needed.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

U. Deferred Outflows/Inflows of Resources

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

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

V. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position of the Public Employees' Retirement System (PERS) and Teacher's Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF's fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

W. Tax Assessments and Property Taxes

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

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the County, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets.

The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in N.J.S.A. 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

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

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

W. Tax Assessments and Property Taxes (Continued)

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

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

X. Adopted Accounting Pronouncements

Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. Management has determined the implementation of this Statement did not have a significant impact on the District's financial statements.

Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. Management has determined the implementation of this Statement did not have a significant impact on the District's financial statements.

Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model. The purposes of the improvements are to (a) enhance the effectiveness of the financial reporting model in providing information that is essential for decision making and assessing a government's accountability and (b) address certain application issues identified through preagenda research conducted by the GASB. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Y. Net position

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

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

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

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

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

NOTE 2: CASH AND CASH EQUIVALENTS

Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits may not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 t seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local government agencies. The program is administered by the Commissioner of the NJ Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. As of June 30, 2025, the School District's bank balance of \$2,334,830 was subject to custodial credit risk as follows:

Insured by Depository Insurance	\$ 250,000
Collateralized under GUDPA	<u>2,084,830</u>
Total	<u><u>\$ 2,334,830</u></u>

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 3: INVESTMENTS

As of June 30, 2025, the District did not have any investments.

Interest Rate Risk - The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, NJSA 18A:20-37 limits the length of time for most investments to 397 days.

Credit Risk - NJSA 18A:20-37 limits District investments to those specified in the Statutes. The type of allowable investments are: Bonds of the United States of America or of the District or the local units in which the District is located; obligations of Federal agencies not exceeding 397 days; Government Money Market Mutual Funds; the State of New Jersey Cash Management Plan; local Government investment pools; or repurchase of fully collateralized securities.

Concentration of Credit Risk - The District places no limit on the amount the District may invest in any one issuer.

NOTE 4: RECEIVABLES

Receivables as of June 30, 2025, (see Exhibit B-1 and B-4) consisted of intergovernmental and property taxes receivable. All receivables are considered collectible in full. A summary of the principal items of the intergovernmental receivables are as follows:

	Governmental Fund Financial Statements	District-Wide Financial Statements
State Aid	\$ 80,840	\$ 81,077
Federal Aid	39,768	48,363
Other	<u>389,080</u>	<u>400,093</u>
Gross Receivable	509,688	529,533
Less: Allowance for Credit Losses	<u>-</u>	<u>-</u>
Total Receivables, Net	<u>\$ 509,688</u>	<u>\$ 529,533</u>

NOTE 5: CAPITAL RESERVE ACCOUNT

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

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long-Range Facilities Plan (LRFP) and updated annually in the Quality Single Accountability Continuum (QSAC). Upon submission of the LRFP to the Department of Education, a District may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 5: CAPITAL RESERVE ACCOUNT (Continued)

A District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to NJAC 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Districts are also permitted, as per N.J.S.A. 18A:7F-41(a) and 41(b) to deposit into the legal reserves by Board Resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District did not deposit any additional funds into their Capital Reserve Account by Board Resolution in June 2025. The activity of the capital reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

Beginning Balance July 1, 2024	\$ 308,872
Add:	
Additions	-
Interest Earnings	-
Less:	
Withdrawals per Budget	-
Ending Balance June 30, 2025	<u>\$ 308,872</u>

The balance in Capital Reserve at June 30, 2025 is to be within the LRFP maximum balance of local support costs of uncompleted capital projects of \$668,300.

NOTE 6. MAINTENANCE RESERVE

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

Beginning Balance July 1, 2024	\$ 151,526
Add:	
Interest Earnings	-
Less:	
Withdrawals per Budget	-
Ending Balance June 30, 2025	<u>\$ 151,526</u>

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

The balance in the Maintenance Reserve is within the maximum amount permitted by the statute.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 7: CAPITAL ASSETS

Activity for capital assets capitalized by the District group is summarized below for the fiscal year ended June 30, 2025.

Depreciation was charged as unallocated expense since it could not be specifically identified to one program/function for Governmental Activities.

	Beginning Balance	Additions	Disposals/ Adjustments	Ending Balance
Governmental Activities				
Capital assets not being depreciated:				
Sites (land)	\$ <u>8,757</u>	<u>-</u>	<u>-</u>	\$ <u>8,757</u>
Total capital assets not being depreciated	<u>8,757</u>	<u>-</u>	<u>-</u>	<u>8,757</u>
Capital assets being depreciated and amortized:				
Site improvements	283,762	-	-	283,762
Building & building improvements	8,495,803	-	-	8,495,803
Machinery & equipment	<u>875,503</u>	<u>-</u>	<u>-</u>	<u>875,503</u>
Totals at historical cost	9,655,068	-	-	9,655,068
Less accumulated depreciation and amortization				
Site improvements	(200,680)	(4,674)	-	(205,354)
Building & building improvements	(5,844,170)	(381,729)	-	(6,225,899)
Machinery & equipment	<u>(733,283)</u>	<u>(26,153)</u>	<u>-</u>	<u>(759,436)</u>
Total accumulated and amortization	(6,778,133)	(412,556)	-	(7,190,689)
Governmental activities capital assets, net	<u>\$ 2,885,692</u>	<u>(412,556)</u>	<u>-</u>	<u>\$ 2,473,136</u>
Business Type Activities:				
Machinery & equipment	\$ 94,398	-	-	\$ 94,398
Less: accumulated depreciation	<u>(79,964)</u>	<u>(1,696)</u>	<u>-</u>	<u>(81,660)</u>
Business-type capital assets, net	<u>\$ 14,434</u>	<u>(1,696)</u>	<u>-</u>	<u>\$ 12,738</u>
Fiduciary-Type Activities				
Machinery & equipment	\$ 10,394	-	-	\$ 10,394
Less: accumulated depreciation	<u>(10,394)</u>	<u>-</u>	<u>-</u>	<u>(10,394)</u>
	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>

Depreciation expense of governmental activities was charged to functions as follows:

Other operation and maintenance	\$ 412,556
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Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 8: GENERAL LONG-TERM DEBT

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets or other purposes permitted by statute

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are General Obligation Bonds.

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

Long-Term Obligation Activity

	<u>Balance</u> <u>July 1, 2024</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2025</u>	<u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Compensated Absences	\$ 22,360	\$ 7,900	\$ -	\$ 30,260	\$ 15,590
Bonds Payable	650,000	-	135,000	515,000	130,000
Net Pension Liability	<u>729,959</u>	<u>-</u>	<u>186,276</u>	<u>543,683</u>	<u>-</u>
Total	<u>\$ 1,402,319</u>	<u>\$ 7,900</u>	<u>\$ 321,276</u>	<u>\$ 1,088,943</u>	<u>\$ 145,590</u>

Bonds Payable

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

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

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 130,000	\$ 7,215	\$ 137,215
2027	130,000	5,394	135,394
2028	130,000	3,573	133,573
2029	<u>125,000</u>	<u>1,751</u>	<u>126,751</u>
	<u>\$ 515,000</u>	<u>\$ 17,933</u>	<u>\$ 532,933</u>

Bonds Authorized But Not Issued

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

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 8: GENERAL LONG-TERM DEBT (CONTINUED)

Other

Interest paid on debt issued by the District is exempt from federal income tax. Because of this, bond holders are willing to accept a lower interest rate than they would on taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the federal government based on the requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally allowable returns.

Rebatable arbitrage liabilities related to District debt are not recorded in Governmental Funds. There is no recognition in the balance sheet or income statement until rebatable amounts are due and payable to the Federal Government. Thus, rebatable arbitrage liabilities related to Governmental debt will be accrued as incurred at least annually (at fiscal year-end) on the District-wide financial statements.

For the year ended June 30, 2025, it is not necessary for the Board to establish a liability for arbitrage rebate.

NOTE 9. PENSION PLANS

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

<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

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to 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 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 schedule 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 fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

The local employers' contribution amounts are based on an actuarially determined rate, which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and 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.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2025, the School District reported a liability of \$543,683 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined using update procedure to roll forward the total pension liability from an actuarial valuation as of July 1, 2023, to the measurement date of June 30, 2024. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2024. The School District's proportion measured as of June 30, 2024, was .0040011892%, which was a decrease of .0010384387% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the School District recognized full accrual pension expense of \$70,358 in the government-wide financial statements consisting of employer contributions of \$54,445 and non-employer contributions of \$15,913. This pension expense was based on the pension plans June 30, 2024 measurement date. At June 30, 2025, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 10,891	\$ 1,447
Changes of assumptions	675	6,186
Net difference between projected and actual earnings on pension plan investments	-	25,200
Changes in proportion	98,256	135,587
District contributions subsequent to the measurement date	<u>66,608</u>	<u>-</u>
Total	<u>\$ 176,430</u>	<u>\$ 168,420</u>

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

\$66,608 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 contribution rate. 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, 2025. 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:

<u>Year Ended</u>	<u>PERS</u>
2025	(63,585)
2026	49,201
2027	(28,306)
2028	(16,341)
2029	<u>425</u>
Total	<u>(58,606)</u>

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 which 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 this legislation is considered to be a special funding situation as defined by GASB Statement No. 68 and the State is treated as a non-employer contributing entity. Since the local participating employers do not contribute under this legislation directly to the plan (except for employer specific financed amounts), there is no net pension liability to report in the financial statements of the local participating employers related to this 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 employer pension expense and related revenue, associated with the District, calculated by the plan as of the June 30, 2024 measurement date was \$1,753.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2019	5.21	-
June 30, 2020	5.16	-
June 30, 2021	-	5.13
June 30, 2022	-	5.04
June 30, 2023	5.08	-
June 30, 2024	5.08	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2019	-	5.21
June 30, 2020	-	5.16
June 30, 2021	5.13	-
June 30, 2022	-	5.04
Net Difference between projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2020	-	5.00
June 30, 2021	-	5.00
June 30, 2022	-	5.00
June 30, 2023	-	5.00
June 30, 2024	-	5.00

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.08, 5.08, 5.04, 5.13, 5.16, and 5.21 years for the 2024, 2023, 2022, 2021, 2020, and 2019, respectively.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

Public Employees' Retirement System (Continued)

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

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

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

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

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

A. Public Employees' Retirement System (PERS) (Continued)

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 real 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 Assets	3.00 %	8.20 %
Real Estate	8.00 %	10.95 %
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 %

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

A. Public Employees' Retirement System (PERS) (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.00% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make 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 Collective Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	728,503	543,683	394,874

Additional Information - The following is a summary of the collective balances of the local group:

	<u>6/30/25</u>	<u>6/30/24</u>
Collective Deferred Outflows of Resources	1,079,580,780	1,080,204,730
Collective Deferred Inflows of Resources	1,611,322,898	1,780,216,457
Collective Net Pension Liability	13,702,423,985	14,606,489,066
School District's Portion	.0040011892%	.0050396279%

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

B. Teachers' Pension and Annuity (TPAF)

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

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

The following represents the membership tiers for TPAF:

<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 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.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

B. Teachers' Pension and Annuity (TPAF) (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. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2024, the State's pension contribution was more than the actuarial determined amount.

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. 18A: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 School District.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2025 was \$10,489,101. 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 .0212222127%, which was an decrease of .0001690887% 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 \$943,413 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.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

B. Teachers' Pension and Annuity (TPAF) (Continued)

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

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

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

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

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

Quinton Township School District
Notes to Financial Statements (continued)
For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

B. Teachers' Pension and Annuity (TPAF) (Continued)

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

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

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

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

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 9. PENSION PLANS (CONTINUED)

B. Teachers' Pension and Annuity (TPAF) (Continued)

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate (cont'd)

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's proportionate share of the net pension liability	12,484,674	10,489,101	8,834,632

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.

Additional Information - The following is a summary of the collective balances of the local group

	<u>6/30/25</u>	<u>6/30/24</u>
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	.0212222127%	.0210531240%

C. Defined Contribution Retirement Plan (DCRP)

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

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

The District's contributions to the DCRP for June 30, 2025 were \$4,573. There was no liability for unpaid contributions at June 30, 2025.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

General Information about the OPEB Plan

Plan description and benefits provided

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health) benefit for State Health Benefits Local Education Retired Employees Plan. The State Health Benefits 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 Benefits 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.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

State Health Benefit State Retired Employees Plan (Continued):

State Health Benefit State Retired Employees Plan

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

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Employees covered by benefit terms

At June 30, 2023, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	153,556
Active plan members	<u>219,185</u>
Total	<u><u>372,741</u></u>

Total Nonemployer OPEB Liability

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

Inflation Rate	2.5%
Salary Increases through 2026	PERS 2.75%-6.55%
	PFRS 3.25%-16.25%
	TPAF 2.75%-5.65%
Discount Rate	3.93
Healthcare Cost Trend Rates	4.5%-6.5%
Retirees' Share of Benefit Related Costs	1.5% of projected health insurance premiums for retirees

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Health Care Trend Assumptions

Total Nonemployer OPEB Liability (Continued)

Preretirement mortality rates were based on the Pub-2010 Healthy “Teachers” (TPAF/ABP), “General” (PERS), and “Safety” (PFRS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Postretirement mortality rates were based on the Pub-2010 “General” classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021. Disability mortality was based on the Pub-2010 “General” classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021 for current disables retirees. Future disabled retirees was based on the Pub-2010 “Safety” (PFRS), “General” (PERS), and “Teachers” (TPAF/ABP) classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2021.

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

Changes in the Total OPEB Liability reported by the State of New Jersey

Balance at June 30, 2023	\$ 52,361,668,239
Changes for the year:	
Service cost	2,152,062,729
Interest on the total OPEB liability	1,963,557,443
Changes of benefit terms	-
Differences Between Expected and Actual Experience	158,934,425
Changes of assumptions	4,462,660,491
Gross benefit payments by the state	(1,499,600,607)
Contributions from the member	<u>51,347,810</u>
Net changes	<u>7,288,962,291</u>
Balance at June 30, 2024	<u><u>\$ 59,650,630,530</u></u>

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.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the June 30, 2024 total OPEB liability of the State for school board retirees, as well as the State's total OPEB liability for the school district calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
Total OPEB Liability of the State for School Retirees	\$69,863,663,542	\$59,650,630,530	\$51,437,232,141
Total OPEB Liability of the State Associated with the School District for School Retirees	\$20,224,476	\$17,267,957	\$14,890,303

Health Care Trend Assumptions

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

Sensitivity of the total OPEB liability to changes in the health care cost trend rates

The following presents the June 30, 2024 total OPEB liability of the State for school board retirees, as well as the State's total OPEB liability for the school district calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Trend Rate</u>	<u>1% Increase</u>
Total OPEB Liability of the State for School Retirees	\$49,689,409,509	\$59,650,630,530	\$72,625,778,279
Total OPEB Liability of the State Associated with the School District for School Retirees	\$14,384,334	\$17,267,957	\$21,024,066

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 10. POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (CONTINUED)

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

For the year ended June 30, 2025, the board of education recognized OPEB expense of \$275,666 determined by the State as the total OPEB liability for benefits provided through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75 and in which there is a special funding situation.

In accordance with GASB 75, the Quinton Township School District's proportionate share of school retirees OPEB is zero, there is no recognition of the allocation of proportionate share of deferred outflows of resources and deferred inflows of resources. At June 30, 2024, the State reported deferred outflows of resources and deferred inflows of resources related to retired school employee's OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,378,932,312	\$ 11,139,706,892
Changes of assumptions	10,004,978,073	11,662,607,882
Contributions made in fiscal year ending 2025 after June 30, 2024 measurement date	-	-
Total	<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 retired school employee's OPEB will be recognized in OPEB expense as follows:

Year ended 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>
Total	<u>\$ (6,418,404,389)</u>

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 11: COMPENSATED ABSENCES

The District accounts for compensated absences (e.g., sick leave) as directed by Governmental Accounting Standards. A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted varying amounts of sick leave in accordance with the District's personnel policy. The District's 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 District for the unused sick leave in accordance with the District's agreements with the various employee unions. The liability for vested compensated absences of the governmental fund types is recorded as a non-current liability in the governmental activities fund (see footnote 8).

NOTE 12: DEFERRED COMPENSATION

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

Voya, Lincoln Investment Planning, Inc., and MetLife.

NOTE 13: OTHER EMPLOYEE BENEFITS PLAN

The District established and maintains a cafeteria plan for health benefits required by NJSA 18A:16-19.1 as amended by P.L. 2011, c.78, s.51. Effective July 1, 2010, Quinton Township School District entered into a pre-tax benefits plan with AFLAC. The purpose of the plan is to provide eligible employees with the opportunity to choose from among the fringe benefits under the plan. The plan is intended to qualify as a cafeteria plan under the provisions of Internal Revenue Code Section 125. The Dependent Care Expense Reimbursement Plan is intended to qualify as Internal Revenue Code Section 129 dependent care assistance plan, and the Medical Care Expense Reimbursement Plan it intended to qualify as Internal Revenue Code Section 105 medical reimbursement plan. The maximum amount, which a participant may make as contributions, shall be \$1,500 for medical care expenses and \$5,000 for dependent childcare expenses.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 14: RISK MANAGEMENT

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

Property and Liability Insurance:

The District maintains commercial insurance coverage for property, liability, and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section (Exhibit J-20) of this Annual Comprehensive Financial Report. During the current fiscal year, the District did not incur any claims in excess of their coverage.

The District is a member of the New Jersey School Boards Association Insurance Group - ERIC - South. The purpose of this is to permit member Boards of Education to make use of their powers and resources by cooperating on a basis that will be of mutual advantage and to provide a procedure for development, administration, and provision of Risk Management Programs, a Joint Self Insurance Fund, Joint Insurance Purchases, and related services for members and their employees for the following:

- Workers Compensation and Employers Liability
- Automobile and Equipment Liability
- General Liability and Property Damage
- School Board Legal Liability
- Boiler and Machinery

New Jersey Unemployment Compensation Insurance:

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

<u>Fiscal Year</u>	Interest Contributions	Employee Contributions	Employer Contributions	Amount Reimbursed	Ending Balance
2024-2025	-	4,767	-	-	39,434
2023-2024	-	9,630	-	(3,867)	34,667
2022-2023	-	3,986	-	(2,376)	28,904

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 15: FUND BALANCES

General Fund - of the \$1,963,709 General Fund balance at June 30, 2025, \$76,233 of encumbrances is assigned to other purposes, \$308,872 is restricted for capital reserve, \$151,526 is restricted for maintenance reserve, \$39,434 is restricted for unemployment compensation, \$668,095 is restricted for excess surplus, \$641,122 is restricted for excess surplus for subsequent year expenditures, \$84,357 has been classified as assigned fund balance designated for subsequent year expenditures, and \$(5,930) is unassigned.

Special Revenue Fund - of the \$(55,147) Special Revenue Fund balance at June 30, 2025, \$331 is restricted for student activities, \$9,986 is restricted for the technology trust and \$(65,464) is unassigned..

NOTE 16: CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L.2004, C.73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund 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. There was \$668,095 calculated as excess surplus at June 30, 2025.

NOTE 17: DEFICIT FUND BALANCES

The District has a deficit fund balance (Exhibit B-1) \$65,464 in the Special Revenue Fund and \$(5,930) in the General Fund as of June 30, 2025 as reported in the fund statements (modified accrual basis). NJSA 18A:22-44.2 provides that in the event state school aid payments are not made until the following school budget year, districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability.

Since the state is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payments on the GAAP financial statements until the year the state records the payable.

NOTE 18: INTERFUND RECEIVABLES AND PAYABLES

New Jersey statute requires that interest earned on the investments in capital projects fund be credited to the general fund or debt service based on Board resolution.

The Enterprise Fund owes the General Fund for cash advances.

Quinton Township School District

Notes to Financial Statements (continued)

For the Year Ended June 30, 2025

NOTE 19: 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 20: TAX ABATEMENT

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

School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because NJSA 54:4-75 and NJSA 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For a local school district Board of Education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at NJSA 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth. The Township of Quinton did not have any tax abatements for the year ended June 30, 2025.

NOTE 21: SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 5, 2025, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

QUINTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local sources:					
Local tax levy	\$ 2,883,938	\$ -	\$ 2,883,938	\$ 2,883,938	\$ -
Tuition from other LEA's within the state	103,755	(3,755)	100,000	300,600	200,600
Interest earned	1,000	-	1,000	11,984	10,984
Interest earned on maintenance reserve	25	(25)	-	-	-
Interest earned on capital reserve funds	150	(150)	-	-	-
Miscellaneous	18,000	(3,000)	15,000	37,928	22,928
Total - local sources	<u>3,006,868</u>	<u>(6,930)</u>	<u>2,999,938</u>	<u>3,234,450</u>	<u>234,512</u>
State sources:					
Transportation aid	209,903	-	209,903	209,903	-
Special education aid	291,684	-	291,684	291,684	-
School choice aid	371,520	-	371,520	371,520	-
Security Aid	80,638	-	80,638	80,638	-
Equilization aid	2,295,976	-	2,295,976	2,295,976	-
Extraordinary aid	-	-	-	48,952	48,952
Supplemental Stabilization Aid	35,725	-	35,725	35,725	-
Nonpublic transportation aid	-	-	-	1,401	1,401
TPAF-LTDI (on-behalf - Non-budgeted)	-	-	-	427	427
TPAF - post retirement medical (on-behalf - Non-budgeted)	-	-	-	275,666	275,666
Teacher's pension and annuity fund (on-behalf - Non-budgeted)	-	-	-	943,413	943,413
TPAF social security (reimbursed - Non-budgeted)	-	-	-	214,391	214,391
Total state sources	<u>3,285,446</u>	<u>-</u>	<u>3,285,446</u>	<u>4,769,696</u>	<u>1,484,250</u>
Total revenues	<u>6,292,314</u>	<u>(6,930)</u>	<u>6,285,384</u>	<u>8,004,146</u>	<u>1,718,762</u>
EXPENDITURES:					
Current Expenditures:					
Regular Programs - Instruction:					
Local Contrib. - Trans to Special Rev - Inclusion	-	-	-	-	-
Preschool/Kindergarten - Salaries of teachers	203,695	(12,967)	190,728	174,177	16,551
Grades 1-5 - Salaries of teachers	736,235	-	736,235	732,811	3,424
Grades 6-8 - Salaries of teachers	531,500	5,168	536,668	536,668	-
Other Objects	7,150	(7,150)	-	-	-
Regular Programs - Home Instruction:					
Salaries of teachers	1,500	968	2,468	2,468	-
Purchased professional-educational services	8,000	(967)	7,033	980	6,053
Regular Programs - Undistributed Instruction:					
Other salaries for instruction	32,600	-	32,600	31,873	727
Purchased professional-educational services	-	-	-	-	-
Purchased technical services	48,000	-	48,000	46,000	2,000
Other purchased services (400-500 series)	60,000	609	60,609	57,699	2,910
General supplies	105,292	(609)	104,683	101,262	3,421
Textbooks	-	-	-	-	-
Other objects	-	5,629	5,629	4,839	790
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>1,733,972</u>	<u>(9,319)</u>	<u>1,724,653</u>	<u>1,688,777</u>	<u>35,876</u>

QUINTON TOWNSHIP SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of teachers	\$ 68,748	\$ 245	\$ 68,993	\$ 68,993	\$ -
Other salaries for instruction	19,432	(245)	19,187	18,074	1,113
General supplies	9,493	-	9,493	8,410	1,083
Other Objects	1,200	-	1,200	431	769
Total Learning and/or Language Disabilities	98,873	-	98,873	95,908	2,965
Resource Room/Resource Center:					
Salaries-Resource Room	193,315	-	193,315	191,710	1,605
Subs-Resource Room	-	-	-	-	-
Salaries-Resour Rm Aides	-	-	-	-	-
Other Salaries for Instruction	1,100	-	1,100	-	1,100
General Supplies	1,900	(1,900)	-	-	-
Total Resource Room/Resource Center	196,315	(1,900)	194,415	191,710	2,705
Preschool Disabilities - Full Time					
Salaries - PSD Teachers	1,250	-	1,250	1,250	-
General Supplies	7,500	(5,600)	1,900	945	955
Other Salaries for Instruction	2,000	-	2,000	-	2,000
Other Objects	1,200	(549)	651	479	172
Total Preschool Disabilities - Full Time	11,950	(6,149)	5,801	2,674	3,127
TOTAL SPECIAL EDUCATION - INSTRUCTION	307,138	(8,049)	299,089	290,292	8,797
Basic Skills/Remedial - Instruction					
Salaries-Basic Skills	76,550	3,421	79,971	79,971	-
Subs-Basic Skills	-	-	-	-	-
Salaries-Basic Skills Aides	-	-	-	-	-
Subs-Basic Skills Aides	1,100	(1,100)	-	-	-
General Supplies	800	(800)	-	-	-
Total Basic Skills/Remedial - Instruction	78,450	1,521	79,971	79,971	-
School-Spon. Cocurricular Activities - Instruction					
Salaries-Extra Curr	9,680	10,298	19,978	19,978	-
Unused Vacation Payment	2,500	(2,500)	-	-	-
Total School-Spon. Cocurricular Actvts. - Instruction	12,180	7,798	19,978	19,978	-
Other Supplemental/At-Risk Programs:					
Salaries of teachers	70,855	7,498	78,353	78,353	-
Total Other Supplemental/At-Risk Programs	70,855	7,498	78,353	78,353	-
Total Instruction	2,202,595	(551)	2,202,044	2,157,371	44,673
Undistributed Expenditures - Instruction:					
Tuition-Other LEAS Reg	668,628	-	668,628	668,628	-
Tuition-Other LEAS Sp Ed	38,100	-	38,100	-	38,100
Tuition to County VoTech	337,085	-	337,085	337,085	-
Tuition-CSSD & Reg Day	362,644	(137,500)	225,144	153,608	71,536
Tuition-Priv for Disab	321,964	-	321,964	303,772	18,192
Tuition - State Facilities	-	-	-	-	-
Total Undistributed Expenditures - Instruction:	1,728,421	(137,500)	1,590,921	1,463,093	127,828
Undist. Expend. - Attendance and social work service					
Salaries	8,500	-	8,500	7,933	567
Purchased Professional and Technical Services	9,270	-	9,270	9,270	-
Total Undistributed Expenditures - Attendance	17,770	-	17,770	17,203	567

QUINTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Health Services					
Nurse- salary	\$ 55,500	\$ 3,723	\$ 59,223	\$ 59,223	\$ -
Nurse- sub	-	-	-	-	-
Nurse- purch prof & tech service	4,000	-	4,000	2,553	1,447
Nurse- (400-500 series)	1,000	-	1,000	225	775
Nurse- workshop registrations	-	-	-	-	-
Nurse- supplies and materials	2,245	-	2,245	1,737	508
Other objects	-	-	-	-	-
Total Undistributed Expenditures - Health Services	<u>62,745</u>	<u>3,723</u>	<u>66,468</u>	<u>63,738</u>	<u>2,730</u>
Undist. Expend. - Other Support Serv - Speech OT / PT					
Salaries	103,749	86,486	190,235	190,235	-
Salaries of other professional staff	-	-	-	-	-
Purchased professional - educational services	47,823	-	47,823	39,358	8,465
Other purchased services (400-500 series)	-	-	-	-	-
Supplies and materials	8,500	(5,685)	2,815	2,514	301
Other objects	-	-	-	-	-
Total Undist. Expend. - Other Support Serv - Speech OT/PT	<u>160,072</u>	<u>80,801</u>	<u>240,873</u>	<u>232,107</u>	<u>8,766</u>
Undist. Expend. - Other Support Services - Students - Extraordinary Services					
Purchased professional - educational services	90,000	(20,723)	69,277	35,464	33,813
Salaries	21,509	15,000	36,509	34,890	1,619
Total Undist. Expend. - Other Support Services Students - Extraordinary Services	<u>111,509</u>	<u>(5,723)</u>	<u>105,786</u>	<u>70,354</u>	<u>35,432</u>
Undist. Expend. - Other Support Serv Students-Guidance					
Salaries-Guidance	115,780	-	115,780	115,778	2
Supplies & Materials	1,000	-	1,000	268	732
Supplies and materials	-	-	-	-	-
Total Undist. Expend. - Other Support Serv - Students-Guidance	<u>116,780</u>	<u>-</u>	<u>116,780</u>	<u>116,046</u>	<u>734</u>
Undist. Expend. - Other Support Serv - Child Study					
Salaries-CST	47,500	-	47,500	46,590	910
Salaries of secretarial and clerical assistants	2,500	-	2,500	1,979	521
Purchased professional - educational services	22,118	-	22,118	15,321	6,797
Other purchased professional services	332	-	332	-	332
Residential costs	-	-	-	-	-
CST Dues	-	-	-	-	-
Supplies and materials	3,924	-	3,924	1,458	2,466
Other objects	500	-	500	-	500
Total Undist. Expend. - Other Supp Services - Child Study	<u>76,874</u>	<u>-</u>	<u>76,874</u>	<u>65,348</u>	<u>11,526</u>
Undist. Expend. - Improv of Instruct Serv - Other Sup Serv - Instr					
Salaries of other professional staff	-	545	545	545	-
Total Undist. Expend.-Improv of Instruct Serv -Other Sup Serv-Instr	<u>-</u>	<u>545</u>	<u>545</u>	<u>545</u>	<u>-</u>
Undist. Expend. - Educational Media Services/School Library					
Salaries- library clerk	13,380	(545)	12,835	11,968	867
Purchased professional - educational services	1,000	-	1,000	1,000	-
Other purchased services	1,320	-	1,320	1,320	-
Supplies and materials	2,300	-	2,300	-	2,300
Total Undist. Expend. - Educational Media Services/School Library	<u>18,000</u>	<u>(545)</u>	<u>17,455</u>	<u>14,288</u>	<u>3,167</u>
Undist. Expend. - Instruction Staff Training Services					
Purch eduactional services	9,000	(5,000)	4,000	-	4,000
Other purchased services (400-500 series)	3,200	5,000	8,200	5,138	3,062
Total Undist. Expend. - Instruction Staff Training Services	<u>12,200</u>	<u>-</u>	<u>12,200</u>	<u>5,138</u>	<u>7,062</u>

QUINTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Support Service - General Administration					
Salaries-Superintendent	\$ 115,750	\$ -	\$ 115,750	\$ 114,741	\$ 1,009
Unused Vacation Payment to Terminated/Retired Staff	17,251	249	17,500	17,251	249
Legal Services	15,000	(3,000)	12,000	11,740	260
Audit Fees	18,000	-	18,000	18,000	-
Architect/Engineer Fees	30,000	(5,275)	24,725	24,725	-
Other Prof & Tech Serv	17,600	(6,390)	11,210	6,550	4,660
Communic/Telephone	15,650	269	15,919	15,919	-
BOE Other Purchased Services	1,520	-	1,520	1,520	-
Misc Purch Svcs	29,260	(9,880)	19,380	19,235	145
General Supplies	2,500	(500)	2,000	1,315	685
Miscellaneous Expenditures	3,225	(985)	2,240	2,240	-
BOE In House Trn/Mtg Sup	1,000	-	1,000	-	1,000
BOE Member Dues/Fees	3,750	-	3,750	3,584	166
Total Undist. Expend. - Support Service - General Administration	<u>270,506</u>	<u>(25,512)</u>	<u>244,994</u>	<u>236,820</u>	<u>8,174</u>
Undist. Expend. - Support Service - School Administration					
Salaries-Principal	80,000	-	80,000	79,723	277
Salaries-Secretary	16,000	(1,209)	14,791	12,614	2,177
Other Purchased Services	3,702	(515)	3,187	2,484	703
Supplies & Materials	3,298	-	3,298	2,923	375
Other Objects	2,200	1,209	3,409	2,503	906
Total Undist. Expend. - Support Service - School Administration	<u>105,200</u>	<u>(515)</u>	<u>104,685</u>	<u>100,247</u>	<u>4,438</u>
Undistributed Expenditures - Central Services					
Salaries-Secretary & Clerk	116,075	(3,186)	112,889	112,889	-
Misc expenditures	1,100	-	1,100	1,100	-
Purch Prof & Tech Serv	-	500	500	500	-
Supplies & Materials	2,500	(1,294)	1,206	958	248
Purchased tech services	20,300	(4,020)	16,280	15,894	386
Total Undist. Expend. - Central Services	<u>139,975</u>	<u>(8,000)</u>	<u>131,975</u>	<u>131,341</u>	<u>634</u>
Undist. Expend. - Required Maintenance for School Facilities					
Salaries	55,000	(10,000)	45,000	40,746	4,254
Cleaning, repair and maintenance services	64,926	-	64,926	45,858	19,068
Subs- Maint	-	-	-	-	-
General supplies	28,000	-	28,000	15,845	12,155
Total Undist. Expend. - Allowed Maintenance for School Facilities	<u>147,926</u>	<u>(10,000)</u>	<u>137,926</u>	<u>102,449</u>	<u>35,477</u>

QUINTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Undist. Expend. - Custodial Services					
Custodial Salaries-Stipends	\$ 112,000	\$ (9,266)	\$ 102,734	\$ 101,401	\$ 1,333
Non instructional aids	36,500	(734)	35,766	28,454	7,312
Purch Prof & Tech Serv	8,250	-	8,250	7,400	850
Clean, Repair & Maint	33,300	(13,480)	19,820	14,388	5,432
Grounds-Prof Services	33,000	-	33,000	28,745	4,255
Insurance-Building	41,000	-	41,000	34,314	6,686
Misc Purchased Services	5,350	-	5,350	4,984	366
General Supplies	25,000	-	25,000	8,876	16,124
Energy-Electricity	100,000	(152)	99,848	98,267	1,581
Energy-Oil	69,407	-	69,407	47,959	21,448
Total Undist. Expend. - Custodial Services	<u>463,807</u>	<u>(23,632)</u>	<u>440,175</u>	<u>374,788</u>	<u>65,387</u>
Undist. Expend. - Care and Upkeep of Grounds					
Salaries	1,000	152	1,152	1,152	-
Total Undist. Expend. - Care and Upkeep of Grounds	<u>1,000</u>	<u>152</u>	<u>1,152</u>	<u>1,152</u>	<u>-</u>
Undist. Expend. - Security					
Salaries	13,500	-	13,500	11,622	1,878
Total Undist. Expend. - Security	<u>13,500</u>	<u>-</u>	<u>13,500</u>	<u>11,622</u>	<u>1,878</u>
Undist. Expend. - Student Transportation Services					
Salaries for pupil transportation (between home and school) - Regular	8,000	-	8,000	7,916	84
Salaries- Transp Coord	-	-	-	-	-
Aid in lieu- non public school	5,523	(1,500)	4,023	3,671	352
Aid in lieu- charter school	2,209	1,500	3,709	3,671	38
Aid in lieu choice school	7,732	-	7,732	7,342	390
Transp- reg home to school	230,375	-	230,375	225,263	5,112
Transp- Other than between home to school	8,500	5,000	13,500	7,386	6,114
Transp- reg students- ESC's & CTSA's	130,000	(5,000)	125,000	120,708	4,292
Transp- Sp. Ed students- ESC's & CTSA's	205,773	120,000	325,773	255,373	70,400
Transp- spec ed	-	-	-	-	-
Total Undist. Expend. - Student Transportation Services	<u>598,112</u>	<u>120,000</u>	<u>718,112</u>	<u>631,330</u>	<u>86,782</u>
UNALLOCATED EMPLOYEE BENEFITS					
Social security contributions	50,000	10,276	60,276	60,276	-
Other retirement contributions - PERS	81,000	(10,276)	70,724	66,608	4,116
Unemployment compensation	4,500	500	5,000	4,046	954
Workmen's compensation	47,500	(500)	47,000	46,859	141
Unused sick payment	10,000	-	10,000	-	10,000
Health benefits	744,902	(6,690)	738,212	695,386	42,826
Tuition reimbursement	12,000	-	12,000	7,360	4,640
Other employee benefits	35,000	6,690	41,690	41,690	-
TOTAL UNALLOCATED EMPLOYEE BENEFITS	<u>984,902</u>	<u>-</u>	<u>984,902</u>	<u>922,225</u>	<u>62,677</u>
ON-BEHALF CONTRIBUTIONS					
On-behalf TPAF LTDI (non-budgeted)	-	-	-	427	(427)
On-behalf TPAF OPEB (post retirement med) (non-budgeted)	-	-	-	275,666	(275,666)
On-behalf TPAF Pension Contributions (non-budgeted)	-	-	-	943,413	(943,413)
Reimbursed TPAF social security contributions (non-budgeted)	-	-	-	214,391	(214,391)
TOTAL ON-BEHALF CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,433,897</u>	<u>(1,433,897)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	<u>984,902</u>	<u>-</u>	<u>984,902</u>	<u>2,356,122</u>	<u>(1,371,220)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>5,029,299</u>	<u>(6,206)</u>	<u>5,023,093</u>	<u>5,993,731</u>	<u>(970,638)</u>
Interest earned on maintenance reserve	25	(25)	-	-	-
TOTAL GENERAL CURRENT EXPENDITURES	<u>7,231,919</u>	<u>(6,782)</u>	<u>7,225,137</u>	<u>8,151,102</u>	<u>(925,965)</u>

QUINTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
CAPITAL OUTLAY					
Interest	\$ 150	\$ (150)	\$ -	\$ -	\$ -
Equipment					
School Buses - Special		-	-	-	-
Operation & Maint. Of plant serv.	-	-	-	-	-
Regular Programs - Instruction:					
Grades 1-5	-	-	-	-	-
Grades 6-8	-	-	-	-	-
Grades 9-12	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-
Special Education - Instruction:					
Undistributed Expend. - Required Maint	10,000	-	10,000	-	10,000
Total Equipment	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Facilities Acquisition and Construction Services					
Assessment for debt service on SDA funding	36,143	-	36,143	36,143	-
Total Facilities Acquisition and Construction Services	<u>36,143</u>	<u>-</u>	<u>36,143</u>	<u>36,143</u>	<u>-</u>
TOTAL CAPITAL OUTLAY	<u>46,293</u>	<u>(150)</u>	<u>46,143</u>	<u>36,143</u>	<u>10,000</u>
TOTAL EXPENDITURES	<u>7,278,212</u>	<u>(6,932)</u>	<u>7,271,280</u>	<u>8,187,245</u>	<u>(915,965)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(985,898)	2	(985,896)	(183,099)	802,797
Other Financing Sources/Uses:					
Local Contrib. - Trans to Special Rev - Inclusion	(45,393)	-	(45,393)	(45,393)	-
Transfer unspent funds from capital projects	-	-	-	-	-
Transfer of funds to charter schools	(36,760)	(3,351)	(40,111)	(40,111)	-
Total Other Financing Sources:	<u>(82,153)</u>	<u>(3,351)</u>	<u>(85,504)</u>	<u>(85,504)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures & Other Financing Sources (Uses)	(1,068,051)	(3,349)	(1,071,400)	(268,603)	802,797
Fund Balance, July 1	2,538,595	-	2,538,595	2,538,595	-
Fund Balance, June 30	<u>\$ 1,552,697</u>	<u>\$ 2</u>	<u>\$ 1,552,699</u>	<u>\$ 2,269,992</u>	<u>\$ 802,797</u>
Recapitulation:					
Restricted Fund Balance:					
Capital reserve				\$ 308,872	
Maintenance reserve				151,526	
Tuition reserve				-	
Unemployment compensation				39,434	
Excess surplus - Designated for subsequent year's expenditures				641,122	
Excess surplus - Current year				668,095	
Committed Fund Balance:					
Year-end encumbrances				-	
Assigned Fund Balance:					
Year-end encumbrances				76,233	
Designated for subsequent year's expenditures				84,357	
Unassigned Fund Balance				<u>300,353</u>	
Reconciliation to governmental funds statements (GAAP)					
Fund balance per governmental funds (Budgetary)				2,269,992	
Last state aid payment not recognized on GAAP basis				(306,283)	
Fund balance per governmental funds (GAAP) - B-1				<u>\$ 1,963,709</u>	

QUINTON TOWNSHIP SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Year Ended June 30, 2025

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES					
Local sources	\$ 215,882	\$ -	\$ 215,882	\$ 225,799	\$ 9,917
State sources	756,321	6,918	763,239	635,502	(127,737)
Federal sources	166,052	266,180	432,232	389,479	(42,753)
Total Revenues	1,138,255	273,098	1,411,353	1,250,780	(160,573)
EXPENDITURES					
Instruction:					
Salaries of teachers	482,926	20,055	502,981	483,508	19,473
Purchased professional services	3,500	3,105	6,605	6,605	-
Other Purchased Services	1,200	-	1,200	599	601
General supplies	2,218	66,320	68,538	68,538	-
Technology	-	17,678	17,678	17,678	-
Supplies NP	1,479	(1,479)	-	-	-
Tuition	73,595	21,588	95,183	95,183	-
Miscellaneous expenditures	50,400	28,571	78,971	77,386	1,585
Total Instruction	615,318	155,838	771,156	749,497	21,659
Support services:					
Other support services					
students - special:					
Other professional staff salaries	253,914	(10,442)	243,472	209,425	34,047
Secretarial/Clerical salaries	19,896	951	20,847	20,222	625
Purchased professional services	-	61,703	61,703	37,671	24,032
Other purchased professional	34,371	28,973	63,344	35,446	27,898
Employee benefits	143,043	28,514	171,557	171,328	229
Travel	-	1,635	1,635	1,635	-
Miscellaneous purchased services	-	-	-	-	-
Student Activities	5,000	-	5,000	10,346	(5,346)
General supplies	9,000	4,924	13,924	13,461	463
Miscellaneous expenses	24,452	6,874	31,326	31,268	58
Total other support services - students - special	489,676	123,132	612,808	530,802	82,006
Facilities acquisition and const. serv.:					
Regular programs instruction	28,261	(5,872)	22,389	15,400	6,989
Non-instructional equipment	5,000	-	5,000	3,679	1,321
Total facilities acquisition and const. serv.	33,261	(5,872)	27,389	19,079	8,310
Total expenditures	1,138,255	273,098	1,411,353	1,299,378	111,975
Other financing sources (uses)					
Transfer in from general fund	-	-	-	45,393	(45,393)
	-	-	-	45,393	(45,393)
Total outflows	1,138,255	273,098	1,411,353	1,253,985	157,368
Excess (deficiency) of revenues					
Over (under) expenditures	\$ -	\$ -	\$ -	\$ (3,205)	\$ (3,205)
Fund Balance, July 1				13,522	
Fund Balance, June 30				10,317	
Recapitulation:					
Restricted:					
Student Activities				331	
Technology Trust				9,986	
Total Fund Balance				\$ 10,317	

Note 1- Not required to be budgeted for these funds

**QUINTON TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to Required Supplementary Information
For the Year Ended June 30, 2025**

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

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 8,004,146	[C-2]	\$ 1,250,780
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-		41,376
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(943,413)		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes		311,873		61,490
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(306,283)		(65,464)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	\$ 7,066,323	[B-2]	\$ 1,288,182
 Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 8,272,749	[C-2]	\$ 1,253,985
Differences - budget to GAAP				
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(943,413)		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		-		41,376
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	\$ 7,329,336	[B-2]	\$ 1,295,361

REQUIRED SUPPLEMENTARY INFORMATION - PART III

QUINTON TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability-PERS
For the Year Ended June 30, 2025

Last 10 Fiscal Years*

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
District's proportion of the net pension liability	0.0044520000%	0.0043420000%	0.0046150000%	0.0044550000%	0.0040330000%	0.0035270000%	0.0042980000%	0.0050930000%	0.0050396279%	0.0040011892%
District's proportionate share of the net pension liability	\$ 999,378	\$ 1,286,019	\$ 1,074,197	\$ 877,249	\$ 726,644	\$ 575,227	\$ 509,106	\$ 768,638	\$ 729,959	\$ 543,683
District's covered-employee payroll	318,249	328,470	314,887	313,123	298,741	316,918	365,074	318,214	318,214	356,282
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	314.02%	391.52%	341.14%	280.16%	243.24%	181.51%	139.45%	241.55%	229.39%	152.60%
Plan fiduciary net position as a percentage of the total pension liability	47.93%	40.14%	48.10%	53.60%	56.27%	58.32%	70.33%	62.91%	65.23%	68.22%

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

* The schedule is presented to illustrate the requirements 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.

**QUINTON TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of District Contributions-PERS
For the Year Ended June 30, 2025**

Last 10 Fiscal Years*

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Contractually required contributions	\$ 38,275	\$ 38,575	\$ 42,769	\$ 44,317	\$ 39,227	\$ 38,588	\$ 50,329	\$ 64,228	\$ 67,356	\$ 54,446
Contributions in relation to the contractually required contribution	<u>37,275</u>	<u>38,575</u>	<u>42,769</u>	<u>44,317</u>	<u>39,227</u>	<u>38,588</u>	<u>50,329</u>	<u>64,228</u>	<u>34,206</u>	<u>66,608</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,150</u>	<u>\$ (12,162)</u>
District's covered-employee payroll	318,249	328,470	314,887	313,123	298,741	316,918	365,074	318,214	356,282	412,188
Contributions as a percentage of covered-employee payroll	12.03%	11.74%	13.58%	14.15%	13.13%	12.18%	13.79%	20.18%	18.91%	13.21%

* The schedule is presented to illustrate the requirements 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.

QUINTON TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District's Proportionate Share of the Net Pension Liability-TPAF
For the Year Ended June 30, 2025

Last 10 Fiscal Years*

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
State's proportion of the net pension liability associated with the District	0.0242950000%	0.0211890000%	0.0210880000%	0.0219650000%	0.0215350000%	0.0218130000%	0.0199230000%	0.0193860000%	0.0210531240%	0.0212222127%
State's proportionate share of the net pension liability associated with the District	\$ 15,355,166	\$ 16,668,236	\$ 14,218,018	\$ 13,976,578	\$ 13,216,189	\$ 14,363,555	\$ 9,578,030	\$ 10,002,284	\$ 10,743,971	\$ 10,489,101
District's covered-employee payroll	2,274,968	2,361,334	2,358,215	2,277,197	2,274,718	2,318,318	2,671,041	2,608,127	2,814,241	2,856,884
Proportionate share of the net pension liability as a percentage of District's covered-employee payroll	674.96%	705.88%	602.91%	573.09%	577.63%	597.99%	358.59%	383.50%	381.77%	367.15%
Plan fiduciary net position as a percentage of the total pension liability	28.71%	22.33%	25.41%	26.49%	26.95%	24.60%	35.52%	32.29%	34.68%	37.99%

The District has a special funding situation as is not required to make any payments for this liability therefore it is not recorded on the ACFR.

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

* The schedule is presented to illustrate the requirements 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.

QUINTON TOWNSHIP SCHOOL DISTRICT
Required Supplementary Information
Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Year Ended June 30, 2025
(Unaudited)

Last 10 Fiscal Years*

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
State's proportion of the OPEB liability associated with the District							
Service cost	\$ 467,026	\$ 399,793	\$ 442,287	\$ 755,070	\$ 643,465	\$ 528,411	\$ 524,059
Interest cost	558,004	529,439	441,798	439,492	384,426	528,728	568,420
Changes in benefit terms	-	-	-	(18,033)	-	-	-
Differences between expected and actual experiences	(961,648)	(1,868,502)	2,672,589	(2,972,148)	796,129	(182,152)	290,189
Changes in assumptions	(1,544,928)	183,990	3,480,841	16,715	(3,891,371)	30,259	1,291,873
Member contributions	12,442	11,229	10,055	11,236	12,216	13,549	14,864
Gross benefit payments	<u>(359,991)</u>	<u>(378,801)</u>	<u>(331,746)</u>	<u>(346,198)</u>	<u>(380,785)</u>	<u>(412,152)</u>	<u>(434,112)</u>
Net change in total OPEB liability	(1,829,095)	(1,122,852)	6,715,824	(2,113,866)	(2,435,920)	506,643	2,255,293
Total State Share of OPEB liability - beginning	<u>15,291,930</u>	<u>13,462,835</u>	<u>12,339,983</u>	<u>19,055,807</u>	<u>16,941,941</u>	<u>14,506,021</u>	<u>15,012,664</u>
Total State Share of OPEB liability - ending	<u>\$ 13,462,835</u>	<u>\$ 12,339,983</u>	<u>\$ 19,055,807</u>	<u>\$ 16,941,941</u>	<u>\$ 14,506,021</u>	<u>\$ 15,012,664</u>	<u>\$ 17,267,957</u>
District's covered employee payroll	<u>\$ 2,590,320</u>	<u>\$ 2,573,459</u>	<u>\$ 2,635,236</u>	<u>\$ 3,036,115</u>	<u>\$ 2,926,341</u>	<u>\$ 3,501,149</u>	<u>\$ 3,838,232</u>
Total State's OPEB liability as a percentage of covered employee payroll	520%	480%	723%	558%	496%	429%	450%

* The schedule is presented to illustrate the requirements 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.

Quinton Township School District

Notes to Required Supplementary Information - Part III

For the Year Ended June 30, 2025

Teachers Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 7.00% as of July 01, 2023, to 7.00% as of June 30, 2024.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 7.00% as of July 01, 2023, to 7.00% as of June 30, 2024.

State Health Benefit Local Education Retired Employees Plan (OPEB)

Changes in Benefit Terms - None .

Changes in Assumptions - The discount rate changed from 2.16% as of July 01, 2023, to 3.54% as of June 30, 2024.

OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules
Not Applicable

E. Special Revenue Fund

QUINTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

	Student Activities	Title I Part A 24/25	IDEA Part Basic 24/25	Title II Part A/D 24/25	IDEA-Part B B -Preschool 24/25	Title IV Part A 24/25
Revenues:						
Local sources	\$ 7,141	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-	-
Federal sources	-	57,780	95,183	19,029	2,595	9,610
Total revenues	<u>7,141</u>	<u>57,780</u>	<u>95,183</u>	<u>19,029</u>	<u>2,595</u>	<u>9,610</u>
Expenditures:						
Instruction:						
Salaries of teachers	-	51,432	-	-	-	-
Other salaries/instruction	-	-	-	-	-	-
Purchased professional services	-	-	-	-	-	-
Other Purchased Services	-	-	-	-	-	-
General supplies	-	-	-	-	-	-
Technology	-	-	-	-	-	-
Supplies NP	-	-	-	-	-	-
Tuition	-	-	95,183	-	-	-
Textbooks	-	-	-	-	-	-
Miscellaneous expenses	-	1,200	-	-	-	6,832
Total instruction	<u>-</u>	<u>52,632</u>	<u>95,183</u>	<u>-</u>	<u>-</u>	<u>6,832</u>
Support services:						
Other support services - students - special:						
Other professional staff salaries	-	-	-	7,894	-	-
Secretarial/Clerical salaries	-	-	-	-	-	-
Professional Development	-	-	-	-	-	-
Purchased professional services	-	-	-	4,000	2,595	-
Other purchased professional services	-	-	-	-	-	-
Purchased technical services	-	-	-	7,135	-	-
Employee benefits	-	3,956	-	-	-	13
Travel	-	-	-	-	-	-
Nursing Svcs	-	-	-	-	-	-
Miscellaneous purchased services	-	-	-	-	-	-
Personal Services	-	-	-	-	-	-
Student Activities	10,346	-	-	-	-	-
General supplies	-	-	-	-	-	-
Miscellaneous expenses	-	1,192	-	-	-	2,765
Total other support services - students - special	<u>10,346</u>	<u>5,148</u>	<u>-</u>	<u>19,029</u>	<u>2,595</u>	<u>2,778</u>
Equipment:						
Regular programs instruction	-	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 10,346</u>	<u>\$ 57,780</u>	<u>\$ 95,183</u>	<u>\$ 19,029</u>	<u>\$ 2,595</u>	<u>\$ 9,610</u>
Excess (deficiency) of revenues Over (under) expenditures	(3,205)	-	-	-	-	-
Fund Balance, July 1	3,536	-	-	-	-	-
Fund Balance, June 30	<u>\$ 331</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued on next page)

QUINTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

(Continued from prior page)

	American Rescue Plan				
	High Impact Tutoring	Summer Learning	ARP ESSER	Accelerated Learning	Beyond The School Day
Revenues:					
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	39,160	22,691	105,076	6,526	8,566
Total revenues	39,160	22,691	105,076	6,526	8,566
Expenditures:					
Instruction:					
Salaries of teachers	-	22,194	4,251	-	134
Other salaries/instruction	-	-	-	-	-
Purchased professional services	1,780	199	-	-	-
Other Purchased Services	-	-	-	-	-
General supplies	10,049	298	9,729	-	8,432
Technology	-	-	17,678	-	-
Supplies NP	-	-	-	-	-
Tuition	-	-	-	-	-
Textbooks	-	-	-	-	-
Miscellaneous expenses	-	-	63,409	-	-
Total instruction	11,829	22,691	95,067	-	8,566
Support services:					
Other support services - students - special:					
Other professional staff salaries	-	-	7,691	6,526	-
Secretarial/Clerical salaries	-	-	-	-	-
Professional Development	-	-	-	-	-
Purchased professional services	-	-	-	-	-
Other purchased professional services	27,331	-	-	-	-
Purchased technical services	-	-	-	-	-
Employee benefits	-	-	2,318	-	-
Travel	-	-	-	-	-
Nursing Svcs	-	-	-	-	-
Miscellaneous purchased services	-	-	-	-	-
Personal Services	-	-	-	-	-
Student Activities	-	-	-	-	-
General supplies	-	-	-	-	-
Miscellaneous expenses	-	-	-	-	-
Total other support services - students - special	27,331	-	10,009	6,526	-
Equipment:					
Regular programs instruction	-	-	-	-	-
Non-instructional equipment	-	-	-	-	-
Total equipment	-	-	-	-	-
Total expenditures	\$ 39,160	\$ 22,691	\$ 105,076	\$ 6,526	\$ 8,566
Excess (deficiency) of revenues Over (under) expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

QUINTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

(Continued from prior page)

	<u>REAP 24/25</u>	<u>ESSER II 24/25</u>	<u>Preschool 24/25</u>	<u>Technology Trust</u>	<u>Local 24/25</u>	<u>Total 2025</u>
Revenues:						
Local sources	\$ -	\$ -	\$ 202,128	\$ -	\$ 16,530	\$ 225,799
State sources	-	-	635,502	-	-	635,502
Federal sources	<u>23,263</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>389,479</u>
Total revenues	<u>23,263</u>	<u>-</u>	<u>837,630</u>	<u>-</u>	<u>16,530</u>	<u>1,250,780</u>
Expenditures:						
Instruction:						
Salaries of teachers	-	-	401,256	-	4,241	483,508
Other salaries/instruction	-	-	-	-	-	-
Purchased professional services	-	-	-	-	4,626	6,605
Other Purchased Services	-	-	599	-	-	599
General supplies	-	-	35,463	-	4,567	68,538
Technology	-	-	-	-	-	17,678
Supplies NP	-	-	-	-	-	-
Tuition	-	-	-	-	-	95,183
Textbooks	-	-	-	-	-	-
Miscellaneous expenses	<u>-</u>	<u>-</u>	<u>5,945</u>	<u>-</u>	<u>-</u>	<u>77,386</u>
Total instruction	<u>-</u>	<u>-</u>	<u>443,263</u>	<u>-</u>	<u>13,434</u>	<u>749,497</u>
Support services:						
Other support services - students - special:						
Other professional staff salaries	-	-	187,314	-	-	209,425
Secretarial/Clerical salaries	-	-	20,222	-	-	20,222
Professional Development	-	-	-	-	-	-
Purchased professional services	-	-	29,525	-	1,551	37,671
Other purchased professional services	-	-	980	-	-	35,446
Purchased technical services	-	-	-	-	-	-
Employee benefits	-	-	165,041	-	-	171,328
Travel	-	-	90	-	1,545	1,635
Nursing Svcs	-	-	-	-	-	-
Miscellaneous purchased services	-	-	-	-	-	-
Personal Services	-	-	-	-	-	-
Student Activities	-	-	-	-	-	10,346
General supplies	9,074	-	4,387	-	-	13,461
Miscellaneous expenses	<u>-</u>	<u>-</u>	<u>27,311</u>	<u>-</u>	<u>-</u>	<u>31,268</u>
Total other support services - students - special	<u>9,074</u>	<u>-</u>	<u>434,870</u>	<u>-</u>	<u>3,096</u>	<u>530,802</u>
Equipment:						
Regular programs instruction	14,189	-	1,211	-	-	15,400
Non-instructional equipment	<u>-</u>	<u>-</u>	<u>3,679</u>	<u>-</u>	<u>-</u>	<u>3,679</u>
Total equipment	<u>14,189</u>	<u>-</u>	<u>4,890</u>	<u>-</u>	<u>-</u>	<u>19,079</u>
Total expenditures	<u>\$ 23,263</u>	<u>\$ -</u>	<u>\$ 883,023</u>	<u>\$ -</u>	<u>\$ 16,530</u>	<u>\$ 1,299,378</u>
Other Financing Sources (Uses)						
Operating transfers in	<u>-</u>	<u>-</u>	<u>45,393</u>	<u>-</u>	<u>-</u>	<u>45,393</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>45,393</u>	<u>-</u>	<u>-</u>	<u>45,393</u>
Excess (deficiency) of revenues Over (under) expenditures						
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,205)</u>
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,986</u>	<u>-</u>	<u>13,522</u>
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,986</u>	<u>\$ -</u>	<u>\$ 10,317</u>

QUINTON TOWNSHIP SCHOOL DISTRICT
Special Revenue Fund
Schedule of Expenditures of Preschool Education Aid
Preschool - All Programs
Budgetary Basis
For the Year Ended June 30, 2025

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 411,042	\$ 401,256	\$ 9,786
Other Salaries for Instruction	-	-	-
Purchased Professional & Technical Services	-	-	-
Other Purchased Services (400-500 series)	5,900	599	5,301
Tuition to Other LEAs Within the State - Regular	-	-	-
General Supplies	38,085	35,463	2,622
Other Objects	6,736	5,945	791
Total instruction	<u>461,763</u>	<u>443,263</u>	<u>18,500</u>
Support services:			
Salaries of Other Professional Staff	199,143	187,314	11,829
Salaries of Secr. And Clerical Assistants	20,847	20,222	625
Personal Services - Employee Benefits	165,671	165,041	630
Travel	1,000	90	910
Purchased Educational Services - Contracted Pre-K	5,000	980	4,020
Purchased Professional - Educational Services	31,000	29,525	1,475
Supplies & Materials	4,850	4,387	463
Other Objects	47,750	27,311	20,439
Total support services	<u>475,261</u>	<u>434,870</u>	<u>40,391</u>
Facilities acquisition and cont. serv:			
Instructional equipment	8,200	1,211	6,989
Noninstructional Equipment	5,000	3,679	1,321
Total Facilities acquisition and cont. serv.	<u>13,200</u>	<u>4,890</u>	<u>8,310</u>
Total Expenditures	<u>\$ 950,224</u>	<u>\$ 883,023</u>	<u>\$ 67,201</u>

CALCULATION OF BUDGET & CARRYOVER

Total 2024-25 PreK/ECPA Aid Allocation	\$ 635,502
Add: Tuition from Other LEA's	170,519
Add: Actual PreK/ECPA Aid Carryover June 30, 2024	120,819
Add: Budgeted Transfer From General Fund	45,393
Prior year order adjustment	<u>(22,009)</u>
Total Funds Available for 2024-25 Budget	950,224
Less: 2024-25 Budgeted PreK/ECPA (Including prior year budgeted carryover)	<u>(883,023)</u>
Available & Unbudgeted Funds as of June 30, 2025	67,201
Add: June 30, 2025 Unexpended PreK Aid	-
2025- Actual Carryover - PreK Aid	<u>\$ 67,201</u>
2024-25 PreK Aid Carryover Budgeted in 2025-FY	<u>\$ 150,682</u>

F. Capital Projects Fund
Not Applicable

G. Proprietary Funds
See B-4 through B-6

H. Fiduciary Funds
Not Applicable

I. Long-Term Debt

**QUINTON TOWNSHIP SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
For the Year Ended June 30, 2025**

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest rate</u>	<u>Balance July 1, 2024</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2025</u>
Refunding Bonds - Series 2021	11/24/2021	\$ 1,015,000							
			2/15/2026	130,000	1.401%				
			2/15/2027	130,000	1.401%				
			2/15/2028	130,000	1.401%				
			2/15/2029	125,000	1.401%	650,000	-	135,000	515,000
						<u>\$ 650,000</u>	<u>\$ -</u>	<u>\$ 135,000</u>	<u>\$ 515,000</u>

**QUINTON TOWNSHIP SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2025**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 117,043	\$ -	\$ 117,043	\$ 117,043	\$ -
State Sources:					
Debt Service Aid Type II	27,064	-	27,064	27,064	-
Total - State Sources	27,064	-	27,064	27,064	-
Total Revenues	144,107	-	144,107	144,107	-
EXPENDITURES:					
Regular Debt Service:					
Interest	9,107	-	9,107	9,107	-
Redemption of Principal	135,000	-	135,000	135,000	-
Total Regular Debt Service	144,107	-	144,107	144,107	-
Total expenditures	144,107	-	144,107	144,107	-
Excess of Revenues Over Expenditures	-	-	-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

Quinton Township School District
Statistical Section

<u>Contents</u>	<u>Page</u>
<p>Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.</p>	105-109
<p>Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.</p>	110-113
<p>Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.</p>	114-117
<p>Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.</p>	118-119
<p>Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.</p>	120-124

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

QUINTON TOWNSHIP SCHOOL DISTRICT
Net Position by Component
Last Ten Fiscal Years
UNAUDITED
 (accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$ 3,180,213	\$ 3,029,898	\$ 2,923,937	\$ 2,847,911	\$ 2,730,134	\$ 2,677,938	\$ 2,687,896	\$ 2,516,631	\$ 2,235,692	\$ 1,958,136
Restricted	1,330,500	1,360,724	1,382,525	1,533,924	1,484,305	1,596,442	1,755,053	1,890,783	1,879,929	1,934,260
Unassigned	(1,015,045)	(1,045,484)	(1,106,217)	(1,075,182)	(1,020,727)	(954,548)	(799,497)	(335,027)	(153,748)	(388,807)
Total governmental activities net position	\$ 3,495,668	\$ 3,345,138	\$ 3,200,245	\$ 3,306,653	\$ 3,193,712	\$ 3,319,832	\$ 3,643,452	\$ 4,072,387	\$ 3,961,873	\$ 3,503,589
Business-type activities										
Net investment in capital assets	\$ 8,431	\$ 7,189	\$ 5,946	\$ 9,835	\$ 8,579	\$ 7,323	\$ 6,067	\$ 16,130	\$ 14,434	\$ 12,738
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	57,928	52,751	56,774	40,361	34,349	56,114	117,768	120,848	61,307	23,726
Total business-type activities net position	\$ 66,359	\$ 59,940	\$ 62,720	\$ 50,196	\$ 42,928	\$ 63,437	\$ 123,835	\$ 136,978	\$ 75,741	\$ 36,464
District-wide										
Net investment in capital assets	\$ 3,188,644	\$ 3,037,087	\$ 2,929,883	\$ 2,857,746	\$ 2,738,713	\$ 2,685,261	\$ 2,693,963	\$ 2,532,761	\$ 2,250,126	\$ 1,970,874
Restricted	1,330,500	1,360,724	1,382,525	1,533,924	1,484,305	1,596,442	1,755,053	1,890,783	1,879,929	1,934,260
Unassigned	(957,117)	(992,733)	(1,049,443)	(1,034,821)	(986,378)	(898,434)	(681,729)	(214,179)	(92,441)	(365,081)
Total district net position	\$ 3,562,027	\$ 3,405,078	\$ 3,356,849	\$ 3,356,849	\$ 3,236,640	\$ 3,383,269	\$ 3,767,287	\$ 4,209,365	\$ 4,037,614	\$ 3,540,053

Source: ACFR Schedule A-1 and District records.

QUINTON TOWNSHIP SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years
 (accrual basis of accounting)
UNAUDITED

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities										
Current:										
Regular instruction	\$ 1,774,170	\$ 1,718,573	\$ 1,750,352	\$ 1,731,754	\$ 1,802,070	\$ 1,772,212	\$ 1,769,827	\$ 1,723,274	\$ 2,865,039	\$ 2,582,982
Special education	461,616	479,693	507,691	502,786	463,883	704,493	874,164	793,679	312,870	290,292
Other special instruction	86,077	24,101	55,790	31,326	56,841	56	11,531	27,207	49,524	178,302
Other Intruction	34,193	31,773	38,423	44,113	29,567	13,915	18,785	12,945	-	-
Support services and undistributed costs:										
Instruction	1,705,277	1,987,795	1,777,246	1,679,334	2,111,759	2,408,706	2,344,916	2,319,804	2,604,738	2,593,679
General administration	213,251	208,805	230,237	208,353	203,552	180,558	182,393	187,726	190,385	236,820
School administrative services	112,818	113,085	111,937	111,436	110,494	104,687	103,786	86,851	115,864	100,247
Central services	154,717	156,122	159,498	167,658	136,875	132,511	142,649	118,828	150,680	131,341
Admin info technology	-	-	-	-	-	-	-	562,710	122,837	102,449
Plant operations and maintenance	895,351	872,054	967,588	456,644	462,744	471,594	557,353	534,667	896,605	855,340
Pupil transportation	411,077	367,124	373,826	448,786	415,828	304,523	443,272	1,468,228	392,878	631,330
Unallocated employee benefits	1,201,392	1,365,447	1,549,047	2,011,599	1,687,694	3,090,313	1,762,377	-	-	-
Interest on long-term debt	92,612	85,143	76,643	67,725	58,481	-	52,542	-	-	-
Capital outlay	87,986	37,017	36,143	36,143	36,143	-	-	-	-	-
Unallocated depreciation	-	-	-	388,320	391,751	393,735	408,799	427,459	818,755	898,328
Unallocated expenses	-	-	-	-	8,988	9,626	-	-	566,237	505,175
Transfer to charter schools	-	-	-	-	-	-	-	-	-	40,111
Total governmental activities expenses	7,230,537	7,446,732	7,634,421	7,885,977	7,976,670	9,586,929	8,672,394	8,263,378	9,086,412	9,146,396
Business-type activities:										
Food service	\$ 173,722	\$ 165,054	\$ 164,522	\$ 174,030	\$ 142,181	\$ 127,556	\$ 166,251	\$ 177,428	247246	216738
SACC	-	-	-	-	-	-	25,481	23,354	68	-
Total business-type activities expense	173,722	165,054	164,522	174,030	142,181	127,556	191,732	200,782	247,314	216,738
Total district expenses	7,404,259	7,611,786	7,798,943	8,060,007	8,118,851	9,714,485	8,864,126	8,464,160	9,333,726	9,363,134
Program Revenues										
Governmental activities:										
Charges for services:										
Student Activity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,873	\$ 281,559.00	\$ 254,644	\$ 32,744	\$ 307,741
Operating grants and contributions	352,924	340,440	352,718	324,037	293,518	798,487	1,079,464.00	1,882,194	2,233,682	1,771,525
Total governmental activities program revenues	352,924	340,440	352,718	324,037	293,518	813,360	1,361,023	2,136,838	2,266,426	2,079,266
Business-type activities:										
Charges for services										
Food service	\$ 64,071	59529	\$ 66,284	\$ 69,227	\$ 42,997	\$ 3,235	\$ 6,558	\$ 50,567	\$ 45,003	\$ 39,252
SACC	-	-	-	-	-	-	23,157	26,916	2,605	-
Operating grants and contributions	116,472	99,106	101,018	92,279	91,916	144,830	220,091	136,442	138,469	138,209
Total business type activities program revenues	180,543	158,635	167,302	161,506	134,913	148,065	249,806	213,925	186,077	177,461
Total district program revenues	\$ 533,467	\$ 499,075	\$ 520,020	\$ 485,543	\$ 428,431	\$ 961,425	\$ 1,610,829	\$ 2,350,763	\$ 2,452,503	\$ 2,256,727
Net (Expense)/Revenue										
Governmental activities	\$ (6,877,613)	\$ (7,106,292)	\$ (7,281,703)	\$ 7,561,940	\$ (7,683,152)	\$ (8,873,250)	\$ (7,311,371.00)	\$ (6,178,257)	\$ (6,819,986)	\$ (7,067,130)
Business-type activities	6,821	(6,419)	2,780	(12,524)	(7,268)	20,509	58,074	13,143	(61,237)	(39,277)
Total district-wide net expense	\$ (6,870,792)	\$ (7,112,711)	\$ (7,278,923)	\$ 7,549,416	\$ (7,690,420)	\$ (8,852,741)	\$ (7,253,297)	\$ (6,165,114)	\$ (6,881,223)	\$ (7,106,407)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 2,307,609	\$ 2,440,557	\$ 2,489,368	\$ 2,474,558	\$ 2,524,049	\$ 2,624,580	\$ 2,677,071	\$ 2,730,612	\$ 2,827,390	\$ 2,883,938
Taxes levied for debt service	219,768	221,953	220,093	220,418	218,356	136,934	116,794	110,453	101,380	117,043
Unrestricted grants and contributions	4,054,278	4,213,975	4,329,301	4,936,713	4,755,550	6,176,060	4,753,780	3,643,254	3,399,914	3,341,389
Restricted grants and contributions	-	-	-	-	-	-	-	-	23,037	27,064
Tuition charges	69,963	32,944	14,939	3,346	12,954	-	-	-	-	-
Investment earnings	2,136	2,100	2,169	7,711	5,689	427	126	8,887	16,254	11,984
Miscellaneous income	44,724	44,233	80,940	23,913	59,445	35,968	83,463	135,863	341,497	227,428
Fixed Asset Adjustment	(77,299)	-	-	-	(5,832)	(4,874)	6,081	-	-	-
Prior year receivables canceled	-	-	-	1,689	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	(2,324)	(21,877)	-	-
Total governmental activities	6,621,179	6,955,762	7,136,810	7,668,348	7,570,211	8,969,095	7,634,991	6,607,192	6,709,472	6,608,846
Business-type activities:										
Transfers	-	-	-	-	-	-	2,324	-	-	-
Total business-type activities	-	-	-	-	-	-	2,324	-	-	-
Total district-wide	\$ 6,621,179	\$ 6,955,762	\$ 7,136,810	\$ 7,668,348	\$ 7,570,211	\$ 8,969,095	\$ 7,637,315	\$ 6,607,192	\$ 6,709,472	\$ 6,608,846
Change in Net Position										
Governmental activities	\$ (256,434)	\$ (150,530)	\$ (144,893)	\$ 106,408	\$ (112,941)	\$ 95,845	\$ 323,620	\$ 428,935	\$ (110,514)	\$ (458,284)
Business-type activities	6,821	(6,419)	2,780	(12,524)	(7,268)	20,509	60,398	13,143	(61,237)	(39,277)
Total district	\$ (249,613)	\$ (156,949)	\$ (142,113)	\$ 93,884	\$ (120,209)	\$ 116,354	\$ 384,018	\$ 442,078	\$ (171,751)	\$ (497,561)

Source: ACFR Schedule A-2 and District records.

QUINTON TOWNSHIP SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
UNAUDITED

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Restricted	1,169,298	\$ 1,165,329	\$ 1,258,011	\$ 1,418,044	\$ 1,360,319	\$ 1,455,317	\$ 1,653,318	\$ 1,821,357	\$ 1,818,690	\$ 1,809,049
Assigned	53,926	87,781	52,400	43,766	53,288	55,658	25,673	87,561	385,548	160,590
Unassigned	(41,862)	(15,003)	(17,391)	(2,165)	(16,136)	(57,915)	5,606	286,879	22,484	(5,930)
Total general fund	<u>1,181,362</u>	<u>\$ 1,238,107</u>	<u>\$ 1,293,020</u>	<u>\$ 1,459,645</u>	<u>\$ 1,397,471</u>	<u>\$ 1,453,060</u>	<u>\$ 1,684,597</u>	<u>\$ 2,195,797</u>	<u>\$ 2,226,722</u>	<u>\$ 1,963,709</u>
All Other Governmental Funds										
Unreserved, reported in:										
Debt service fund	\$ 2.00	\$ -	\$ -	\$ -	\$ 72,115.00	\$ 1.00	\$ 1.00	\$ 11,441.00	\$ -	\$ -
Capital projects fund	107,274	107,614	72,114	72,114	-	124,488	124,488	2,327	-	-
Special revenue fund	(6,571)	(5,438)	(4,758)	(4,830)	(4,199)	(23,772)	(23,772)	(43,874)	(47,968)	(55,147)
Total all other governmental funds	<u>\$ 100,705</u>	<u>\$ 102,176</u>	<u>\$ 67,356</u>	<u>\$ 67,284</u>	<u>\$ 67,916</u>	<u>\$ 100,717</u>	<u>\$ 100,717</u>	<u>\$ (30,106)</u>	<u>\$ (47,968)</u>	<u>\$ (55,147)</u>

Source: ACFR Schedule B-1 and District records.

QUINTON TOWNSHIP SCHOOL DISTRICT
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
UNAUDITED

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax levy	\$ 2,527,377	\$ 2,662,510	\$ 2,709,461	\$ 2,694,976	\$ 2,742,405	\$ 2,761,514	\$ 2,793,865	\$ 2,841,065	\$ 2,928,770	\$ 3,000,981
Tuition charges	69,963	32,944	14,939	3,346	12,954				24,008	300,600
Interest earnings	2,137	2,100	2,169	7,711	5,689	25	126	4,536	16,254	11,984
Miscellaneous	58,211	63,286	95,841	40,429	75,492	35,968	83,463	135,863	331,004	265,042
State sources	4,118,180	4,270,707	4,377,567	4,526,797	4,552,635	5,029,572	5,479,770	5,524,817	4,556,197	4,490,465
Federal sources	275,535	264,655	289,551	259,293	234,846	394,004	497,161	531,557	866,058	429,540
Total revenue	7,051,403	7,296,202	7,489,528	7,532,552	7,624,021	8,221,083	8,854,385	9,037,838	8,722,291	8,498,612
Expenditures										
Instruction										
Regular	1,779,285	1,714,316	1,770,197	1,725,394	1,799,970	1,772,212	1,769,827	1,723,274	2,718,305	2,464,633
Special	461,616	479,693	507,691	502,786	463,883	704,493	874,164	793,679	312,870	290,292
Other	86,077	24,101	55,790	31,326	56,841	56	11,531	27,207	49,524	178,302
School sponsored/other instructional	34,193	31,773	38,423	44,113	29,567	13,915	18,785	12,945	-	-
Undistributed:										
Student & instruction related services	1,694,402	1,983,265	1,768,824	1,682,650	2,126,134	2,397,441	2,113,703	2,036,472	2,604,738	2,593,679
General administration	213,251	208,805	230,237	208,353	203,552	180,558	182,393	187,726	190,385	236,820
School administration	112,818	113,085	111,937	111,436	110,494	104,687	103,786	86,851	115,864	100,247
Central administration	154,717	156,122	159,498	167,658	136,875	132,511	142,649	118,828	150,680	131,341
Administration info tech	-	-	-	-	-	-	-	-	-	-
Operations & maintenance of plant services	515,590	495,153	593,549	497,028	462,744	471,594	557,353	531,327	479,540	490,011
Student transportation	411,077	367,124	373,826	448,786	415,828	304,523	443,272	534,667	392,878	631,330
Unallocated benefits	1,204,931	1,307,388	1,470,177	1,575,696	1,510,632	1,628,945	2,017,914	2,110,019	874,880	922,225
Non budgeted expenses	-	-	-	-	-	-	-	-	553,556	490,484
Charter schools	-	-	-	-	-	-	-	-	-	40,111
Debt service expenditures										
Principal	225,000	235,000	241,000	250,000	255,000	250,000	115,000	125,000	125,000	135,000
Interest	92,612	85,143	76,643	67,725	58,481	48,988	22,600	12,609	10,858	9,107
Capital outlay	87,986	37,017	71,643	54,737	46,574	132,556	378,819	198,720	130,150	55,222
Student activity	-	-	-	-	-	11,265	3,708	5,631	-	-
Transfer of funds to charter schools	-	-	-	-	8,988	9,626	-	-	-	-
Total expenditures	7,073,555	7,237,985	7,469,435	7,367,688	7,685,563	8,163,370	8,755,504	8,504,955	8,709,228	8,768,804
Excess (Deficiency) of revenues over (under) expenditures	(22,152)	58,217	20,093	164,864	(61,542)	57,713	98,881	532,883	13,063	(270,192)
Other Financing sources (uses)										
Transfer of funds to Charter School	-	-	-	-	-	-	-	(21,877)	-	-
Prior year receivables canceled	-	-	-	1,689	-	-	-	-	-	-
Transfer to Enterprise Fund	-	-	-	-	-	-	(2,324)	-	-	-
Transfers in - internal service fund	-	-	-	-	-	-	-	-	2,327	-
Transfer out - capital projects	-	-	-	0	-	-	-	-	(2,327)	-
Total other financing sources (uses)	-	-	-	1,689	-	-	(2,324)	(21,877)	-	-
Net change in fund balances	(22,152)	58,217	20,093	166,553	(61,542)	57,713	96,557	511,006	13,063	(270,192)
Debt service as a percentage of noncapital expenditures	4.55%	4.45%	4.29%	4.34%	4.10%	3.68%	1.58%	1.62%	1.58%	1.65%

Source: ACFR Schedule B-2 and District records.

QUINTON TOWNSHIP SCHOOL DISTRICT
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
UNAUDITED

Fiscal Year Ending June 30,	Tuition	Clean Energy/SREC	Interest on Investments	Prior Year Refunds	E-Rate	Miscellaneous	Annual Totals
2016	-	38,911	-	4,770		1,043	44,724
2017	-	18,309	-	5,054	18,963	1,907	44,233
2018	-	15,450	-	64,591		899	80,940
2019	-	9,924	-	2,369		11,620	23,913
2020	-	19,802	-	26,695		12,948	59,445
2021	-	18,496	-	-		3,026	21,522
2022	-	16,224	-	-		39,066	55,290
2023	-	16,363	-	-	9,870	12,830	39,063
2024	-		16,254	-	-	78,989	95,243
2025	-		11,984	-	-	37,928	49,912

Source: District records

QUINTON TOWNSHIP SCHOOL DISTRICT
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
UNAUDITED

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
2016	6,268,500	141,702,200	22,042,900	3,157,900	15,243,600	-	519,000	188,934,100	-	651,835	189,585,935	182,708,281	1.367
2017	6,212,300	142,345,400	21,347,900	2,152,100	15,572,100	-	519,000	189,148,800	-	611,174	189,759,974	196,976,381	1.404
2018	6,012,500	141,162,500	24,371,300	3,195,000	15,429,900	-	519,000	190,690,200	-	609,244	191,299,444	188,463,979	1.409
2019	6,347,900	143,145,000	22,287,900	3,156,900	15,650,400	-	519,000	191,107,100	-	637,414	191,744,514	177,312,729	1.421
2020	7,378,500	142,621,600	21,467,200	3,112,800	15,605,200	-	519,000	190,704,300	-	659,202	191,363,502	172,649,194	1.519
2021	4,037,400	131,633,300	20,788,000	3,083,800	19,805,400	-	461,400	179,809,300	-	858,922	180,668,222	174,048,301	1.562
2022	4,236,700	131,213,100	20,869,950	3,094,200	24,058,400	-	461,400	183,933,750	-	812,242	184,745,992	199,148,712	1.562
2023	4,223,700	131,159,600	20,268,150	3,211,800	20,809,000	-	461,400	180,133,650	-	738,715	180,872,365	218,053,081	1.619
2024	-	-	-	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

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

^b Tax rates are per \$100

N/A At the time of ACFR completion, this data was not yet available

QUINTON TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
June 30, 2025
Last ten fiscal years
UNAUDITED

Fiscal Year Ended	<u>Overlapping Rates</u>							Total & Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax rate	Township of Quinton	Farmland Preservation	Salem County		
2016	1.248	0.119	1.367	0.276	0.021	0.999	2.663	
2017	1.287	0.117	1.404	0.285	0.022	1.106	2.817	
2018	1.295	0.114	1.409	0.300	0.02	1.123	2.852	
2019	1.305	0.116	1.421	0.320	0.019	1.076	2.836	
2020	1.483	0.077	1.560	0.370	0.02	1.18	3.13	
2021	1.485	0.077	1.562	0.409	0.02	1.171	3.162	
2022	1.474	0.064	1.538	0.418	0	1.336	3.292	
2023	1.556	0.063	1.619	0.437	0.025	1.445	3.526	
2024	0.000	-	0.000	-	-	-	-	
2025	0.000	-	0.000	-	-	-	-	

Source: Tax Collector

**QUINTON TOWNSHIP SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Ten Years Ago
UNAUDITED**

	2025				2016		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value		Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Jenkinson's	\$ -		#DIV/0!	Jenkinson's	\$ -		#DIV/0!
Chef's International, Inc.	-		#DIV/0!	Chef's International, Inc.	-		#DIV/0!
1106 Ocean Ave Inc.	-		#DIV/0!	1106 Ocean Ave Inc.	-		#DIV/0!
Tower Beacon Gardens	-		#DIV/0!	Cameryn & Dalton	-		#DIV/0!
Cameryn & Dalton	-		#DIV/0!	Tower Beacon Gardens	-		#DIV/0!
Lammers, William	-		#DIV/0!	Senkle Corporation	-		#DIV/0!
Port of Point Pleasant LLC	-		#DIV/0!	Risden's Beach Corp.	-		#DIV/0!
1500 Richmond Ave LLC	-		#DIV/0!	Lammers, William	-		#DIV/0!
Korzeniowski Trust	-		#DIV/0!	Clayton Family, LLC	-		#DIV/0!
Clayton Family, LLC	-		#DIV/0!	DL Real Estate Holdings	-		#DIV/0!
Total	<u>\$ -</u>		<u>#DIV/0!</u>		<u>\$ -</u>		<u>#DIV/0!</u>

Source: Municipal Tax Assessor

QUINTON TOWNSHIP SCHOOL DISTRICT
Property Tax Levies and Collections
June 30, 2025
UNAUDITED

Year Ended	Collected Within the Fiscal Year			
June 30,	Taxes Levied for the Fiscal Year	Amount	Percent of Levy	Collections in Subsequent Year
2016	2,527,377	2,316,762	91.67%	210,615
2017	2,662,510	1,996,884	75.00%	665,626
2018	2,709,461	2,483,673	91.67%	225,788
2019	2,694,976	2,245,815	83.33%	449,161
2020	2,761,514	2,285,335	82.76%	476,179
2021	2,761,514	2,282,765	82.66%	478,749
2022	2,793,865	2,561,043	91.67%	232,822
2023	2,841,065	2,367,555	83.33%	473,510
2024	-	-	0.00%	-
2025	-	-	#DIV/0!	-

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

QUINTON TOWNSHIP SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
June 30, 2025
UNAUDITED

Year Ended June 30,	Governmental Activities		Business-Type Activities	Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Capital Leases	Capital Leases			
2016	2,201,000	-	-	2,201,000	1.92000000%	
2017	1,966,000	-	-	1,966,000	1.70000000%	
2018	1,725,000	-	-	1,725,000	1.45000000%	
2019	1,475,000	-	-	1,475,000	1.20000000%	
2020	1,220,000	-	-	1,220,000	0.99000000%	
2021	970,000	-	-	970,000	0.65%	
2022	900,000	-	-	900,000	0.60%	
2023	775,000	-	-	775,000	0.51	
2024	650,000	-	-	650,000	N/A	N/A
2025	515,000	-	-	515,000	N/A	N/A

Note: GASB 44 requires this schedule to list out ten years of data, however only the years listed above are available. As the information becomes available it will be shown until the full ten years is disclosed.

NOTE:

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

^a See Exhibit J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year

^b Includes Early Retirement Incentive Plan (ERIP) refunding

QUINTON TOWNSHIP SCHOOL DISTRICT
Ratio of General Bonded Debt Outstanding
June 30, 2025
Last ten fiscal years
UNAUDITED

Fiscal Year Ended	<u>General Bonded Debt Outstanding</u>			Percentage of Actual Taxable Value of Property	<u>Per Capita</u>
<u>June 30,</u>	<u>General Obligation Bonds</u>	<u>Deductions</u>	<u>Net General Bonded Debt Outstanding</u>		
2016	2,201,000	-	2,201,000	1.16%	884
2017	196,000	-	1,966,000	1.04%	794
2018	1,725,000	-	1,725,000	0.90%	700
2019	1,475,000	-	1,475,000	0.77%	603
2020	1,220,000	-	1,220,000	0.64%	496
2021	970,000	-	970,000	0.54%	394
2022	900,000	-	900,000	0.49%	394
2023	775,000	-	775,000	0.43%	394
2024	650,000	-	650,000	0.00%	-
2025	515,000	-	515,000	0.00%	-

Source: Assessed valuations were provided by the Abstract of Ratables,
 County Board of Taxation.
 School district population data was provided by the
 U.S. Bureau of the Census, Population Division.

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

QUINTON TOWNSHIP SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
June 30, 2025
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Township of Quinton	\$ -	100.00%	\$ -
Salem County General Obligation Debt	-	3.71%	-
Subtotal, overlapping debt			-
District Direct Debt			<u>515,000</u>
Total direct and overlapping debt			<u><u>\$ 515,000</u></u>

Sources: Statutory Audits of Local Government Units and Ocean County Department of Finance.

QUINTON TOWNSHIP SCHOOL DISTRICT
Legal Debt Margin Information
June 30, 2025
UNAUDITED

	Equalized valuation basis
	2025 -
	2024 -
	2023 -
	[A] <u>\$ -</u>
	[A/3] \$ -
a Debt limit (4 % of average equalization value)	[B] -
Total Net Debt Applicable to Limit	[C] -
Legal debt margin	[B-C] <u>\$ -</u>

	Fiscal Year										
	2014	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	30,490,459	5,719,550	5,796,107	5,723,389	5,553,968	5,317,889	5,201,734	5,195,194	5,919,167	-	-
Total net debt applicable to limit	<u>4,365,000</u>	<u>2,201,000</u>	<u>1,966,000</u>	<u>1,725,000</u>	<u>1,475,000</u>	<u>1,220,000</u>	<u>970,000</u>	<u>900,000</u>	<u>775,000</u>	<u>650,000</u>	<u>515,000</u>
Legal debt margin	<u>\$ 26,125,459</u>	<u>\$ 3,518,550</u>	<u>\$ 3,830,107</u>	<u>\$ 3,998,389</u>	<u>\$ 4,078,968</u>	<u>\$ 4,097,889</u>	<u>\$ 4,231,734</u>	<u>\$ 4,295,194</u>	<u>\$ 5,144,167</u>	<u>\$ (650,000)</u>	<u>\$ (515,000)</u>
Total net debt applicable to the limit as a percentage of debt limit	14.32%	38.48%	33.92%	30.14%	26.56%	22.94%	18.65%	17.32%	13.09%	#DIV/0!	#DIV/0!

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

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

Note: GASB 44 requires this schedule to list out ten years of data, however only the years listed above are available. As the information becomes available it will be shown until the full ten years is disclosed.

QUINTON TOWNSHIP SCHOOL DISTRICT
Demographic and Economic Statistics
June 30, 2025
UNAUDITED

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2016	2,490	112,363,740	45,126	7.80%
2017	2,477	113,751,271	45,923	6.90%
2018	2,466	117,098,010	47,485	6.60%
2019	2,446	123,760,262	50,597	5.40%
2020	2,459	134,207,302	54,578	10.50%
2021	2,583	148,643,901	57,547	9.30%
2022	2,609	150,280,470	57,605	8.10%
2023	2,635	153,301,108	58,181	4.80%
2024	-	-	-	0.00%
2025	-	-	-	0.00%

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income has been estimated based upon the municipal population and per capita personal income presented

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

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

**QUINTON TOWNSHIP SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago
UNAUDITED**

<u>Employer</u>	<u>2025</u>			<u>2016</u>		
	<u>Employees</u>	<u>Rank [Optional]</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank [Optional]</u>	<u>Percentage of Total Municipal Employment</u>
N/A		1	0.00%			0.00%
		2	0.00%			0.00%
		3	0.00%			0.00%
		4	0.00%			0.00%
		5	0.00%			0.00%
		6	0.00%			0.00%
		7	0.00%			0.00%
		8	0.00%			0.00%
		9	0.00%			0.00%
		10	0.00%			0.00%
			-			-
			-			-
			-			-
	-		0.00%	-		0.00%

Source:

QUINTON TOWNSHIP SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
June 30, 2025
UNAUDITED

<u>Function/Program</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Instruction										
Regular	30	29	31	31.6	27.8	30	25	25	0	0
Special education teachers	5	4.5	5	4.75	6.43	6.1	5	5	0	0
Other special education	2.00	1.00	0	0	0	0	0	0	0	0
Other instruction	3.5	3.5	3.5	3.2	3.27	3.52	5	4	0	0
Support Services:										
Student & instruction related services	3.5	3.5	4.5	4.4	4.5	4.7	5	6	0	0
General administration	1.5	1.5	1.5	1.5	1.5	1.5	2	2	0	0
School administrative services	2	2	2	1.9	2	2	2	2	0	0
Business admin services	2.5	2.5	2.5	2.5	1.5	1.5	1	0	0	0
Plants operations and maintenance	4.5	4.5	4.5	4.6	3.6	5	5	5	0	0
Food service	2	2	3	3.5	4.6	3.78	4.5	5.5	0	0
Total	<u>56.5</u>	<u>54.0</u>	<u>57.5</u>	<u>58.0</u>	<u>55.2</u>	<u>58.1</u>	<u>54.5</u>	<u>54.5</u>	<u>-</u>	<u>-</u>

Source: District Personnel Records

**QUINTON TOWNSHIP SCHOOL DISTRICT
Operating Statistics
Last Ten Fiscal Years
UNAUDITED**

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff ^b	Elementary	Middle School				
2016	349.0	6,667,957	19,106	11.71%	35.00	12.50	1:24	354.0	336.8	-0.80%	95.16%
2017	349.0	6,880,825	19,716	3.19%	33.50	12.50	1:24	342.3	324.4	-3.29%	94.77%
2018	326.0	7,080,149	21,718	10.16%	33.50	11.70	1:24	322.1	307.0	-5.92%	95.32%
2019	306.0	6,995,226	22,860	5.26%	32.90	10.70	1:24	305.6	289.7	-5.12%	94.80%
2020	294.0	7,325,508	24,917	9.00%	33.70	8.70	1:24	291.2	280.7	-4.69%	96.38%
2021	273.0	7,864,382	28,807	15.61%	30.06	8.50	1:24	278.0	269.0	-4.55%	96.76%
2022	273.0	8,617,904	31,567	9.58%	35.00	7.20	1:10	273.0	246.0	-1.80%	90.11%
2023	283.0	8,367,346	29,567	6.34%	34.00	7.60	1:10	283.0	272.0	3.66%	96.11%
2024	296.0	8,443,220	28,524	3.52%	34.00	7.60	1:10	296.0	285.0	-4.78%	96.28%
2025	293.0	8,569,475	29,247	1.08%	34.00	7.60	1:10	293.0	285.0	-4.78%	97.27%

Sources: District records, ASSA, and schedules J-12, J-14 and Taxpayers guide to education spending.

Note: Enrollment based on annual October district count.

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

QUINTON TOWNSHIP SCHOOL DISTRICT
School Building Information
June 30, 2025
UNAUDITED

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
District Building										
Elementary										
Quinton Elementary School										
Square Feet	58,738	58,738	58,738	58,738	58,738	58,738	58,738	58,738	58,738	58,738
Capacity (students)	526	526	526	526	526	526	526	526	526	526
Enrollment	349	342	326	306	294	273	273	283	-	293

Number of Schools at June 30, 2024
Elementary = 1

Source: District Facilities Office

QUINTON TOWNSHIP SCHOOL DISTRICT
Schedule of Required Maintenance
June 30, 2024
Undistributed Expenditures - required
Maintenance For School Facilities
11-000-261-XXX
UNAUDITED

		<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
School Facilities:	Gross Square Footage										
Quinton Township	58,738	73,142	54,608	85,391	64,020	74,726	126,853	145,740	140,649	122,837	102,449
Total School Facilities		<u>73,142</u>	<u>54,608</u>	<u>85,391</u>	<u>64,020</u>	<u>74,726</u>	<u>126,853</u>	<u>145,740</u>	<u>140,649</u>	<u>122,837</u>	<u>102,449</u>
Other Facilities		-	-	-	-	-	-	-	-	-	-
Grand Total		<u>\$ 73,142</u>	<u>\$ 54,608</u>	<u>\$ 85,391</u>	<u>\$ 64,020</u>	<u>\$ 74,726</u>	<u>\$ 126,853</u>	<u>\$ 145,740</u>	<u>\$ 140,649</u>	<u>\$ 122,837</u>	<u>\$ 102,449</u>

*School Facilities as defined under EFCFA (NJAC 6A:26-1.2 and NJAC 6:24-1.3)

QUINTON TOWNSHIP SCHOOL DISTRICT
Insurance Schedule
June 30, 2025
Unaudited

School Package Policy - NJ School Board Assoc. Insurance Group (ERIC South)

	<u>Coverage</u>	<u>Deductible</u>	
Article I - Property			
Blanket buildings & contents	\$ 13,715,620.00	1,000	per occurrence
Article II - Electronic Data Processing			
Blanket - hardware/software	\$ 260,000.00	1,000	per occurrence
Article III - Equipment Breakdown			
Combined single limit	\$ 100,000,000.00	1,000	
Article IV - Crime			
Insuring Agreement 1 - Public employee dishonesty w/faithful performance	\$ 100,000.00	1,000	per occurrence
Insuring Agreement 2 - Theft, disappearance & destruction - loss of money & securities on or off premises	\$ 25,000.00	500	per occurrence
Insuring Agreement 3 - Theft, disappearance & destruction - money orders & counterfeit paper currency	\$ 25,000.00	500	per occurrence
Insuring Agreement 4 - Forgery or alteration	\$ 100,000.00	1,000	per occurrence
Insuring Agreement 5 - Computer fraud	\$ 50,000.00	1,000	per occurrence
Article V - Comprehensive General Liability			
Bodily injury and property damage	\$ 11,000,000.00	None	combined single limit
Bodily injury from products and completed operations	\$ 11,000,000.00	None	annual aggregate
Sexual abuse	\$ 11,000,000.00	None	per occurrence
Personal and advertising - injury limit	\$ 11,000,000.00	None	per occurrence/annual aggregate
Employee benefits liability	\$ 11,000,000.00	1,000	per claim/annual aggregate
Premises Medical payments	\$ 10,000.00	None	each accident
Premises Medical payments	\$ 5,000.00	None	limit per person
Terrorism	\$ 1,000,000.00	None	per occurrence
Article VI - Automobile			
Bodily injury and property damage	\$ 11,000,000.00	None	combined single limit
Workers Compensation - Education Risk Insurance Consortium South			
Bodily injury - by accident	\$ 3,000,000.00	None	each accident
Bodily injury - by disease	\$ 3,000,000.00	None	each employee/aggregate limit
Public Employee Surety Bonds			
Liberty Mutual			
Employee bond - Karen Matthews, Business Administrator/Board Secretary	\$ 175,000.00	None	

Source: District Records

SINGLE AUDIT SECTION



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
Quinton Township School District
County of Salem
Quinton Township, 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 Board of Education of the Quinton Township School District in the County of Salem, State of New Jersey, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise of the Board of Education of the Quinton Township School District basic financial statements, and have issued our report thereon dated December 5, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Quinton Township School District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Quinton Township School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Quinton 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 School District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance..

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 Quinton Township 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 Division of 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 in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted

Jump, Perry and Company, L.L.P.
Toms River, New Jersey



Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

Toms River, New Jersey
December 5, 2025



K-2

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

Honorable President and
Members of the Board of Education
Quinton Township School District
County of Salem
Quinton Township, New Jersey

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

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

In our opinion, Quinton 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 state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Our responsibilities under those standards and 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 Board of Education of the Quinton 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 program. Our audit does not provide a legal determination of the Board of Education of the Quinton Township School District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Board of Education of the Quinton 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 Quinton 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*, New Jersey OMB 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 the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Quinton Township School District's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, , and New Jersey OMB 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 Quinton Township School District's, compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Quinton Township 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 New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Quinton Township 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 and 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 and 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 and 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 New Jersey OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose

Respectfully submitted,

Jump, Perry and Company, L.L.P.
Toms River, New Jersey



Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

Toms River, New Jersey
December 5, 2025

QUINTON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Year Ended June 30, 2025

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Federal FAIN Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Balance at June 30, 2024</u>	<u>Carryover Amount</u>	<u>Cash Received</u>	<u>Budgetary Expenditures</u>	<u>Repayment of Prior years' Balances</u>	<u>Deferred Revenue at June 30, 2025</u>	<u>(Accounts Receivable) at June 30, 2025</u>	<u>Due to Grantor at June 30, 2025</u>
U.S. Department of Agriculture												
Passed-through State Department of Agriculture:												
Enterprise Fund:												
Food Distribution Program	10.565	241NJ304N1099	7/1/24-6/30/25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Summer P-EBT Administrative Costs Grant	10.646	202424N180341	7/1/24-6/30/25	322	-	-	322	(322)	-	-	-	-
Child Nutrition Cluster:												
National School Lunch Program	10.555	241NJ304N1099	7/1/23-6/30/24	87,620	(4,321)	-	4,321	-	-	-	-	-
National School Lunch Program	10.555	251NJ304N1099	7/1/24-6/30/25	105,580	-	-	98,429	(105,580)	-	-	(7,151)	-
National School Breakfast Program	10.553	241NJ304N1099	7/1/23-6/30/24	31,509	(1,492)	-	1,492	-	-	-	-	-
National School Breakfast Program	10.553	251NJ304N1099	7/1/24-6/30/25	28,193	-	-	26,749	(28,193)	-	-	(1,444)	-
Subtotal of Child Nutrition Cluster					(5,813)	-	130,991	(133,773)	-	-	(8,595)	-
Total Enterprise Fund					(5,813)	-	131,313	(134,095)	-	-	(8,595)	-
U.S. Department of Treasury:												
Passed-through New Jersey Department of Education:												
High Impact Tutoring	21.027	E2400391	7/1/24-6/30/25	39,160	-	-	39,160	(39,160)	-	-	-	-
					-	-	39,160	(39,160)	-	-	-	-
U.S. Department of Education												
Passed-through State Department of Education:												
Special Revenue Fund:												
Special Education Cluster:												
I.D.E.A. Part B Basic Regular	84.027	H027A220100	7/1/24-6/30/25	95,183	-	-	64,039	(95,183)	-	-	(31,144)	-
I.D.E.A. Part B Preschool	84.173	H173A220114	7/1/24-6/30/25	2,595	-	-	2,595	(2,595)	-	-	-	-
Subtotal of Special Education Cluster					-	-	66,634	(97,778)	-	-	(31,144)	-
Elementary and Secondary Education Act:												
Title I	84.010	S010A240030	7/1/24-6/30/25	65,783	-	-	56,107	(57,157)	-	-	(1,050)	-
Title I	84.010	S010A230030	7/1/23-6/30/24	68,754	(20,969)	-	21,592	(623)	-	-	-	-
Title II	84.365	S367A230029	7/1/23-6/30/24	17,352	(2,500)	-	13,635	(11,135)	-	-	-	-
Title II	84.365	S367A240029	7/1/24-6/30/25	8,543	-	-	7,894	(7,894)	-	-	-	-
Title IV	84.424	S424A230031	7/1/23-6/30/24	11,110	(1,074)	-	3,110	(2,036)	-	-	-	-
Title IV	84.424	S424A240031	7/1/24-6/30/25	10,000	-	-	-	(7,574)	-	-	(7,574)	-
Rural Education Achievement Program	84.358	S358B210030	7/1/23-9/30/24	27,905	(27,905)	-	27,905	-	-	-	-	-
Rural Education Achievement Program	84.358	S358B210030	7/1/24-6/30/25	27,905	-	-	23,263	(23,263)	-	-	-	-
Elementary and Secondary Education Cluster:												
CRRSA-ESSER II	84.425D	S425D220027	3/13/20-9/30/24	339,878	-	-	-	-	-	-	-	-
CR Mental Health-ESSER II	84.425D	S425D220027	3/13/20-9/30/24	45,000	-	-	-	-	-	-	-	-
ARP ESSER III	84.425U	S425U210027	3/13/20-9/30/24	763,855	(371,010)	-	476,086	(105,076)	-	-	-	-
ARP Evidence Based Summer Learning and Enrichment	84.425U	S425U210027	3/13/20-9/30/24	40,000	(2,424)	-	25,115	(22,691)	-	-	-	-
ARP Accelerated Learning Coach and Educator Support	84.425U	S425U210027	3/13/20-9/30/24	50,000	4,000	-	2,526	(6,526)	-	-	-	-
ARP Mental Health	84.425U	S425U210027	3/13/20-9/30/24	88,501	-	-	-	-	-	-	-	-
ARP Homeless	84.425W	S425W240031	3/13/20-9/30/24	6,300	-	-	39,160	(39,160)	-	-	-	-
ARP Evidence Based Comprehensive Beyond the School Day	84.425U	S425U210027	3/13/20-9/30/24	40,000	(21,652)	-	30,218	(8,566)	-	-	-	-
Subtotal Elementary and Secondary Education Cluster					(391,086)	-	573,105	(182,019)	-	-	-	-
Total Special Revenue Fund					(443,534)	-	793,245	(389,479)	-	-	(39,768)	-
Total Expenditures of Federal Financial Awards					\$ (449,347)	\$ -	\$ 963,718	\$ (562,734)	\$ -	\$ -	\$ (48,363)	\$ -

See accompanying notes to schedules of expenditures.

QUINTON TOWNSHIP SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Year Ended June 30, 2025

State Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2024				Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Deferred Revenue at June 30, 2025	(Accounts Receivable) at June 30, 2025	Due to Grantor at June 30, 2025	MEMO	
				Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover Amount								Budgetary Receivable	Total Expenditures
State Department of Agriculture:															
Enterprise Fund:															
(State Share)	SEBT24state	7/1/24-6/30/25	\$ 321	\$ -	\$ -	\$ -	\$ 321	\$ (321)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 321
National School Lunch Program (State Share)	24-100-010-3350-023	7/1/23-6/30/24	2,855	(146)	-	-	146	-	-	-	-	-	-	-	-
National School Lunch Program (State Share)	25-100-010-3350-023	7/1/24-6/30/25	3,306	-	-	-	3,092	(3,306)	-	-	(214)	-	-	-	3,306
National School Breakfast Program (State Share)	24-100-010-3350-023	7/1/23-6/30/24	264	(16)	-	-	16	-	-	-	-	-	-	-	-
National School Breakfast Program (State Share)	25-100-010-3350-023	7/1/24-6/30/25	487	-	-	-	464	(487)	-	-	(23)	-	-	-	487
Total Enterprise Fund				(162)	-	-	4,039	(4,114)	-	-	(237)	-	-	-	4,114
State Department of Education:															
General Fund:															
Special Education Aid	25-495-034-5120-089	7/1/24-6/30/25	291,684	-	-	-	291,684	(291,684)	-	-	-	-	-	-	291,684
Equalization Aid	24-495-034-5120-078	7/1/23-6/30/24	2,429,940	(311,873)	-	-	311,873	-	-	-	-	-	-	-	-
Equalization Aid	25-495-034-5120-078	7/1/24-6/30/25	2,295,976	-	-	-	1,989,693	(2,295,976)	-	-	-	-	(306,283)	2,295,976	
School Choice Aid	24-495-034-5120-068	7/1/23-6/30/24	316,944	-	-	-	-	-	-	-	-	-	-	-	-
School Choice Aid	25-495-034-5120-068	7/1/24-6/30/25	316,944	-	-	-	371,520	(371,520)	-	-	-	-	-	371,520	
Extraordinary Aid	25-495-034-5120-011	7/1/24-6/30/25	48,952	-	-	-	-	(48,952)	-	-	(48,952)	-	-	48,952	
Extraordinary Aid	24-495-034-5120-011	7/1/23-6/30/24	82,537	(82,537)	-	-	82,537	-	-	-	-	-	-	-	
Security Aid	23-495-034-5120-084	7/1/22-6/30/23	80,638	-	-	-	-	-	-	-	-	-	-	-	
Security Aid	25-495-034-5120-084	7/1/24-6/30/25	80,638	-	-	-	80,638	(80,638)	-	-	-	-	-	80,638	
Transportation Aid	24-495-034-5120-014	7/1/23-6/30/24	209,903	-	-	-	-	-	-	-	-	-	-	-	
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	209,903	-	-	-	209,903	(209,903)	-	-	-	-	-	209,903	
Non Public Transportation Aid		7/1/24-6/30/25	1,401	-	-	-	-	(1,401)	-	-	(1,401)	-	-	1,401	
Non Public Transportation Aid		7/1/23-6/30/24	1,820	(1,820)	-	-	1,820	-	-	-	-	-	-	-	
Maintenance of Equity Aid	23-495-034-5120-128	7/1/22-6/30/23	287,056	-	-	-	-	-	-	-	-	-	-	-	
PARCC Readiness	17-495-034-5120-098	7/1/22-6/30/23	-	-	-	-	-	-	-	-	-	-	-	-	
Supplemental Stabilization Aid	22-495-034-2150-128	7/1/22-6/30/23	35,725	-	-	-	35,725	(35,725)	-	-	-	-	-	35,725	
Professional learning community aid	19-495-034-5120-101	7/1/22-6/30/23	-	-	-	-	-	-	-	-	-	-	-	-	
On-behalf TPAF Pension Contribution	25-495-034-5095-002	7/1/24-6/30/25	943,413	-	-	-	943,413	(943,413)	-	-	-	-	-	943,413	
On-Behalf TPAF Post-Retirement Medical	25-495-034-5095-001	7/1/24-6/30/25	275,666	-	-	-	275,666	(275,666)	-	-	-	-	-	275,666	
On-Behalf TPAF Long-Term Disability Insurance	25-495-034-5095-004	7/1/24-6/30/25	427	-	-	-	427	(427)	-	-	-	-	-	427	
Reimbursed TPAF Social Security Contributions	25-495-034-5094-003	7/1/24-6/30/25	214,391	-	-	-	202,832	(214,391)	-	-	(11,559)	-	-	214,391	
Total General Fund				(396,230)	-	-	4,797,731	(4,769,696)	-	-	(61,912)	-	(306,283)	4,769,696	
Special Revenue Fund:															
Preschool Education Aid	24-495-034-5120-086	7/1/23-6/30/24	614,900	89,192	-	(150,682)	61,490	-	-	-	-	-	-	-	
Preschool Education Aid	25-495-034-5120-086	7/1/24-6/30/25	635,502	-	-	150,682	483,083	(635,502)	-	67,201	-	-	(65,464)	635,502	
Total Special Revenue Fund				89,192	-	-	544,573	(635,502)	-	67,201	-	-	(65,464)	635,502	
Debt Service Fund:															
Debt Service Aid Type II	25-495-034-5120-075	7/1/24-6/30/25	27,064	-	-	-	27,064	(27,064)	-	-	-	-	-	-	27,064
Total Debt Service Fund				-	-	-	27,064	(27,064)	-	-	-	-	-	-	27,064
Total State Financial Assistance for testing				\$ (307,200)	\$ -	\$ -	\$ 5,373,407	\$ (5,436,376)	\$ -	\$ 67,201	\$ (62,149)	\$ -	\$ (371,747)	\$ 5,436,376	
State Financial Assistance Not Subject to Single Audit Determination															
General Fund:															
On-behalf TPAF Pension Contribution	25-495-034-5095-002	7/1/24-6/30/25	943,413	-	-	-	943,413	(943,413)	-	-	-	-	-	-	943,413
On-Behalf TPAF Post-Retirement Medical	25-495-034-5095-001	7/1/24-6/30/25	275,666	-	-	-	275,666	(275,666)	-	-	-	-	-	275,666	
On-Behalf TPAF Long-Term Disability Insurance	25-495-034-5095-004	7/1/24-6/30/25	427	-	-	-	427	(427)	-	-	-	-	-	427	
Total State Financial Assistance Not Subject to Single Audit Determination				-	-	-	1,219,506	(1,219,506)	-	-	-	-	-	1,219,506	
Total State Financial Assistance				\$ (307,200)	\$ -	\$ -	\$ 4,153,901	\$ (4,216,870)	\$ -	\$ 67,201	\$ (62,149)	\$ -	\$ (371,747)	\$ 4,216,870	

See accompanying notes to schedules of expenditures.

Quinton Township School District

Notes to the Schedules of Expenditures of Awards and Financial Assistance

June 30, 2025

1. General

The accompanying schedules of expenditures of award present the activity of all federal and state awards of the Board of Education of the Quinton Township School District. The Board of Education is defined in Note 1(A) to the Board's general purpose financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies are included on the schedules of expenditures of federal and state awards.

2. Basis of Accounting

The accompanying schedules of expenditures of federal and state awards are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements.

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.

Quinton Township School District

Notes to the Schedules of Expenditures of Awards and
Financial Assistance (continued)
June 30, 2025

3. Relationship to General Purpose Financial Statements (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(937,823) for the general fund and \$37,402 for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general and special revenue fund. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 3,831,873	\$ 3,831,873
Special Revenue Fund	429,540	631,528	1,061,068
Debt Service Fund	-	27,064	27,064
Food Service Fund	<u>105,902</u>	<u>3,306</u>	<u>109,208</u>
Total awards and financial assistance	<u>\$ 535,442</u>	<u>\$ 4,493,771</u>	<u>\$ 5,029,213</u>

4. Relationship to Federal and State Financial Reports

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

5. Other

TPAF Social Security and Post Retirement/Medical Benefits Contributions represent the amounts reimbursed by the State for the employer's share of social security contributions and Post Retirement/Medical Benefits for TPAF members for the year ended June 30, 2025.

The TPAF post retirement/medical benefits expenditures are not subject to New Jersey OMB Circular 15-08.

6. Indirect Costs

The District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Quinton Township School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor’s report issued: Unmodified Opinion

Internal control over financial reporting:

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

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

Noncompliance material to general-purpose financial statements noted? _____ yes X no

Federal Awards Section - N/A

Internal Control over major programs:

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

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

Type of auditor's report issued on compliance for major programs: N/A

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

Identification of major programs: N/A

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

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

Quinton Township School District
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2025

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

State Awards Section

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

Auditee qualified as low-risk auditee? X yes _____ none reported

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

Internal Control over major programs:

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

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

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

Identification of major programs:

State Grant/Project Number(s)	Name of State Program
-------------------------------	-----------------------

State Aid-Public Cluster

495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5120-078	Equalization Aid
495-034-5120-068	School Choice Aid

Section II - Financial Statement Findings - N/A

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

Quinton Township School District
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2025

Summary Schedule of Prior Audit Findings - N/A