# SCHOOL DISTRICT

# OF

# FAIR HAVEN

# OF MONMOUTH COUNTY

Fair Haven Board of Education

Fair Haven, New Jersey

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended June 30, 2025

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

OF

Fair Haven Board of Education
of Monmouth County

Fair Haven, New Jersey

For the Fiscal Year Ended June 30, 2025

Prepared by

Fair Haven Board of Education
Finance Department

OUTLINE FOR ANNUAL COMPREHENSIVE FINANCIAL REPORT


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INTRODUCTORY SECTION

# FAIR HAVEN PUBLIC SCHOOLS

224 Hance Road
Fair Haven, New Jersey 07704-3198
(732) 747-2294

December 5, 2025

Honorable President and
Members of the Board of Education
Fair Haven Borough Board of Education
County of Monmouth
Fair Haven, NJ

Dear Board Members:

The annual comprehensive financial report of the Fair Haven School district of the fiscal year ended June 30, 2025 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation 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 organization chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulation, Part 200, "Audits of State and Local Governments" and the State Treasury Circular Letter 15 -08 0MB, :Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payment". Information related to this single audit including the auditor's report on compliance and on internal control over financial reporting and findings and questioned costs are included in the single audit section of this report.

- **REPORTING ENTITY AND ITS SERVICES:** The Fair Haven School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB Statement No. 14. AH funds and account groups of the District are included in this report. The Fair Haven Board of Education and its two elementary schools constitute the District's reporting entity.

**Average Daily Enrollment**

| Fiscal Year | Student Enrollment | Percent Change |
|---|---|---|
| 2024/25 | 975 | (1.22) |
| 2023/24 | 987 | 1.96 |
| 2022/23 | 968 | (0.6) |

| | | |
|---|---|---|
| 2021/22 | 974 | (0.4) |
| 2020/21 | 978 | 0.72 |
| 2019/20 | 971 | 0.41 |
| 2018/19 | 967 | (2.32) |
| 2017/18 | 990 | (3.13) |
| 2016/17 | 1022 | (0.001) |
| 2015/16 | 1023 | 0.59 |
| 2014/15 | 1016 | 0.00 |
| 2013/14 | 1016 | (2.4) |
| 2012/13 | 1041 | 1.75 |
| 2011/12 | 1023 | 0.79 |
| 2010/11 | 1015 | (.09) |
| 2009/10 | 1016 | 2.63 |
| 2008/09 | 990 | (1.03) |
| 2007/08 | 1015 | 0.50 |

**ECONOMIC CONDITIONS AND OUTLOOK:** Fair Haven is close to 100 percent developed. No large increase in the tax base should be anticipated. However, enrollment should continue to increase due to turn-over in homes wherein the new owner has several school-age children compared to the previous owner. Realtors continue to hold Fair Haven's educational system in high regard. Per-pupil costs remain below the state average.

**MAJOR INITIATIVES:**

The FH community puts the highest value on the education of our students. Our strengths lie in a dedicated staff that is willing to go the extra mile to help students be successful, programmatic offerings to educate, challenge, and inspire students to reach their full potential, and supports to meet the needs of all students.

This budget will maintain full-time Academic Interventionists (2 full-time ELA and 2 full-time Math), as well as maintaining our professional development and resources for our formal RTI program in grades K-5 (11-120-100-101 & 11-000-230-890). This budget continues to support our current personnel to allow for an average class size in K-5 of 18-24 students. Our newly revamped Gifted and Talented program will continue to identify students that qualify for the support. This budget continues to support the G&T program that has expanded to provide more push-in lessons from K-8, as well as small enrichment groups to meet the needs of students showing aptitude in math and ELA. We have moved to full day kindergarten as the result of the passing of our referendum, and full day kindergarten has continued to thrive.

This budget also continues to support professional development and implementation of multisensory reading programs, such as IMSE, which is an identified need. Regular MC3 professional development in current and coming curricular initiatives will also continue. Due to no longer being eligible for Title 1 funding, we are moving our summer learning academy to a fee based program. We anticipate approximately 15% of the district will attend, supporting students that have not mastered grade level standards or those who need additional reinforcement to maintain their mastery of the standards.

This budget continues to support the full rollout of LinkIt, a benchmarking and data warehouse tool that the district piloted in the 21-22 school year (11-190-100-640). This tool has been instrumental in helping to support teachers in identifying targeted needs within their classrooms. The district has also provided multiple professional development opportunities for teachers to become familiar with LinkIt and how to use the data they have to accelerate student learning.

The budget will continue to offer a wide array of instructional practices that ensure access to technology that will support their teaching and learning. At Knollwood, all students have the opportunity to participate in Innovation Lab, a course grounded in the Career Readiness, Life Literacies, and Key Skills standards. Students are able to work with technologies and explore the ins and outs of entrepreneurship, creating products and enhancing sales. Students also use a wide array of technologies, ranging from online applications and coding to 3D printers. At our Sickles School, all students engage in Sickles Studios. Students in grades K-3 participate, and the program is scaffolded. Kindergarten takes part in a specific step-by-step build using regular Lego Bricks, while grades 1-3 work on a team-based, step-by-step builds. Hands-on STEAM classes for students in grades 7-8 will continue. Additionally, this budget will continue to support all of the necessary special education resources (11-2XX-100-XXX) and personnel to ensure our learners with special needs are provided a free and appropriate education that our community can be proud of.

**Raising Standards and Expanding Opportunities**

We are continuing with our offerings of multiple pathways for learners in grades 6-8. We continue to review multiple data points to determine the ideal placements for our students each year in the areas of math and ELA throughout their middle school experience. Any and all learners are eligible to be placed into an advanced setting via our matrix, including students with Special Needs and ELL. For the 2025-2026 school year, we are continuing to offer a geometry pathway for our most excelled math students.

This budget supports our full day of professional development called the Learning Fair, consisting of teacher-led sessions where attendees get to choose their own workshop schedule for the day. This budget supports our work with our tri-district sister schools in revamping all of our required curricula, currently focusing on Literacy & Social Studies, throughout our already very strong and inclusive curriculum. The districts will decide the priority content area that our tri-district meetings will focus on in the summer months and at mutually scheduled district PD Days, once we have all the relevant data to determine need.

With regard to tiered supports and student centered support to close the achievement gap for all students including ELL, minorities, etc., we have taken all the steps necessary to build an RtI program at both of our schools called the Fair Haven Tiered System of Supports (FHTSS). Each FHTSS team follows the same process as follows:

**Building Professionalism**

With regard to instructional practice, we are continuing to emphasize the need to utilize increased data points to further inform improved Tier 1 instruction and interventions to improve student outcomes. We will continue our investment in our benchmarking assessment system to ensure decisions are based on student data as much as possible. We also support building professionalism throughout the district PDP, where there is evidence of teacher and leader collaboration. A focus goal for the district is utilizing data to drive instruction via recently revised local district assessments. We are looking at what we are expecting students to do, the level of complexity in what they are being asked, and the effectiveness and efficiency in the delivery of the instruction based on these assessments. A second goal, to continue to foster and develop staff mastery of newly adopted curricula to ensure sound instructional practice and improved student outcomes for all learners, includes an extensive amount of collaboration. Teachers and administrators have to work together to update curriculum, standards, and learning outcomes for students. This type of activity will take place during professional development days and during PLCs. A third goal, focusing on PLCs has been put into action through providing staff with the framework for successful PLCs, following the DuFour PLC model, based on four guiding questions that should be an educator's priority: 1) What do we expect our students to learn? 2) How will we know they have learned it? 3) How will we respond when some students do not learn? And 4) How will we extend and enrich learning for students who have demonstrated proficiency? PLCs are offered in both schools in all grade

levels. At Sickles, teachers meet weekly in PLCs. At Knollwood, teachers meet two times per month. Those that do not have a scheduled PLC are able to meet during faculty meetings or during additionally scheduled department meetings, and time is provided during PD days.

The district does not only value collaboration within its walls, but has expanded collaborations to include Rumson-Fair Haven High School and the Rumson K-8 school district. Through this opportunity, staff and administration from all schools are able to articulate the needs of all stakeholders, as well as provide shared PD opportunities, enhancing the congruence of practices and instruction from the sending districts. The district will also continue to engage in articulation with the Monmouth County Vocational School District, specifically with Biotech High School to support the sciences.

**Protecting Our Investment (Capital & Maintenance Projects/Capital Reserve)**
We will continue to be proactive in the maintenance of our buildings. The district recently completed a successful referendum project which included additional classrooms and gross motor space in addition to HVAC, plumbing, electrical and building envelope improvements. The projects have improved our systems to ensure safe and efficient operations for years to come. We will continue our contract with Dude Solutions this year to maintain a comprehensive maintenance plan through capital forecasting. The district will use maintenance capital reserves in the 2025-26 budget to further shore up our facilities. We also anticipate completing, adopting, and publicly presenting a new 5 year strategic plan which is designed to take us to 2030.

**Protecting Our Investment (Capital & Maintenance Projects/Capital Reserve}**
We will continue to be proactive in the maintenance of our buildings. The district just completed a successful referendum project which included additional classrooms and gross motor space in addition to HVAC, plumbing, electrical and building envelope improvements. The projects have improved our systems to ensure safe and efficient operations for years to come. We will continue our contract with Dude Solutions this year to maintain a comprehensive maintenance plan through capital forecasting. We have completed, adopted, and publicly presented a strategic plan which is designed to take us to 2025. We have embarked on the development of a new Strategic Plan which is scheduled to take us from 2025 through 2030.

**INTERNAL ACCOUNTING CONTROLS:** The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in the 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 recognized 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 adequate internal controls are in place to ensure compliance with applicable laws and regulations related to those programs. Internal control is also subject to periodic evaluation by the District management.

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

**BUDGETARY CONTROLS:** In addition to internal accounting controls, this District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the General Fund, the Special Revenue Fund and Debt Service Fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amounts amended for the fiscal year are reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2025.

**ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles as promulgated by the Governmental Account Standards Board (GASS). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to Financial Statements" - Note 1.

**DEBT ADMINISTRATION:** At June 30, 2024, the District's outstanding debt issues include $21,722,000 of general obligation bonds. The General Obligations Bonds which were voter approved were issued in 2005, 2013 and 2019. The proceeds of this bond issue were placed in the District's Capital Projects fund to provide funds for additions and renovations at both schools.

**CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to Financial Statements"-Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Government Unit Deposit Protection Act ("GUPA"). GUPA 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 pubHc depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

**OTHER INFORMATION:** Independent Audit- State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Robert A. Hulsart and Company was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Title 2 U.S. Code of Federal Regulations, Part 200, "Audits of State and Local Governments" and the State Treasury Circular Letter 15-08 0MB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules are included in the financial section of this report. The auditor's reports related

specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted,

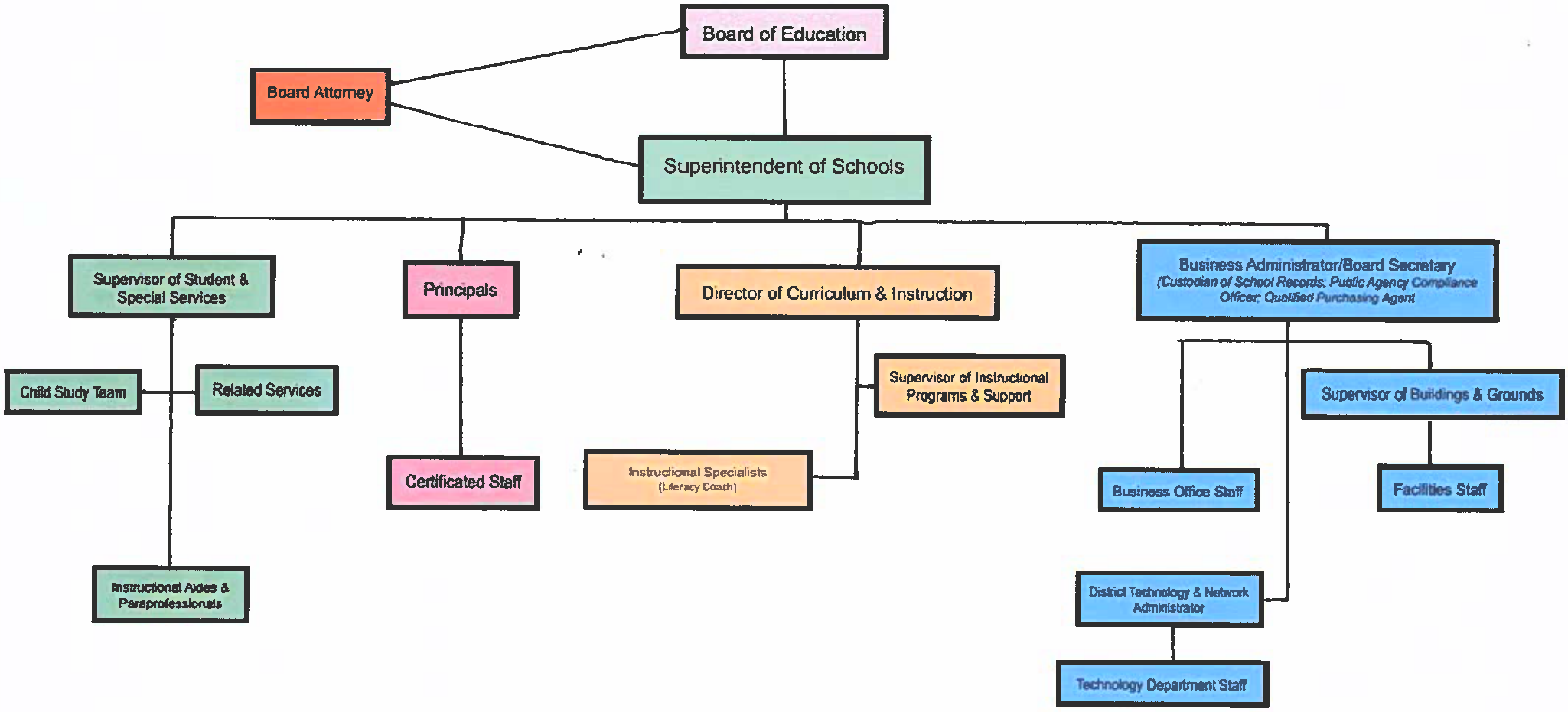
*Sean McNeil*

Sean McNeil
Superintendent

*Bert Arifaj*

Bert Arifaj
BA/BS

# Fair Haven Public Schools Organization Chart




***The mission of the Fair Haven School District is to provide a strong academic foundation and to educate, challenge, and inspire students to reach their full potential.***

*Adopted 10.27.21*

Fair Haven Board of Education
Fair Haven, New Jersey

Roster of Officials
June 30, 2025

| Members of the Board of Education | Term Expires |
|---|---|
| Michelle Buckley, President | 2027 |
| Robert Clark, Vice President | 2025 |
| Geri Pagano | 2027 |
| Lindsay Bruno, | 2027 |
| Krystie Larsen | 2025 |
| Kevin McCarthy | 2025 |
| Emily Kuskin | 2026 |
| Stacy Rizzolo | 2026 |
| Kristen Denahan | 2026 |

Other Officials

Sean McNeil, Superintendent of Schools

Bert Arifaj, School Business Administrator/Board Secretary

Cindy Barr-Rague, Treasurer

Athina Cornell, Solicitor

Fair Haven Board of Education
Consultants and Advisors

Audit Firm

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

Attorney

Methfessel & Webel, PA
2025 Lincoln Highway, Suite 200
Edison, NJ 08817

Official Depository

Ocean First Bank
Toms River, NJ

PNC Bank
Fair Haven, NJ

FINANCIAL SECTION

JUMP, PERRY AND COMPANY, LLP
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# INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Fair Haven Board of Education:
County of Monmouth
Fair Haven, 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 Fair Haven Board of Education in the County of Monmouth, 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 Fair Haven Board of Education in the County of Monmouth, 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 Fair Haven Board of Education 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 Fair Haven Board of Education'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 Fair Haven Board of Education'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 Fair Haven Board of Education's ability to continue as a going concern for a reasonable period of time.

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

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions the schedules related to accounting, and reporting for post employment benefits other then pension. 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 Fair Haven Board of Education'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.

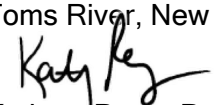
In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. 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 Fair Haven Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Fair Haven Board of Education 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 Fair Haven Board of Education'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

December 5, 2025

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Fair Haven School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2025

Unaudited

The discussion and analysis of Fair Haven 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 $17,259,582, which represents a (6.17) percent decrease from June 30, 2024.

General revenues accounted for $19,376,453 in revenue or 90 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 $2,181,178 or 10 percent of total revenues of $21,557,631.

Total assets decreased by $2,234,352 as current assets decreased by $1,133,112 and capital assets, net decreased by $1,101,240.

The School Board had $22,692,906 in expenses; only $2,181,178 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of $19,376,453 were adequate to provide for these programs.

Among major funds, the General Fund had $19,640,926 in revenues and $20,034,195 in expenditures and transfers. The General Fund's balance decreased $393,269 over June 30, 2024. The General Fund's fund balance is $2,541,550 inclusive of all reserves of $1,761,662 and includes $750,000 designated for subsequent year's expenditures.

## 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 Fair Haven 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 Fair Haven 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.

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 Fund is 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, Capital Projects Fund and Debt Service 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 | $ 4,160,310 | $ 1,101 | $ 4,161,411 | $ 5,247,256 | $ 47,267 | $ 5,294,523 |
| Capital assets, net | 32,855,134 | 4,872 | 32,860,006 | 33,951,583 | 9,663 | 33,961,246 |
| Total assets | 37,015,444 | 5,973 | 37,021,417 | 39,198,839 | 56,930 | 39,255,769 |
| Deferred outflow of resources | 437,805 | - | 437,805 | 524,684 | - | 524,684 |
| Liabilities: | | | | | | |
| Current liabilities | 1,105,227 | - | 1,105,227 | 918,178 | 591 | 918,769 |
| Long-term liabilities outstanding | 18,719,501 | - | 18,719,501 | 20,131,702 | - | 20,131,702 |
| Total liabilities | 19,824,728 | - | 19,824,728 | 21,049,880 | 591 | 21,050,471 |
| Deferred inflow of resources | 374,912 | - | 374,912 | 335,125 | - | 335,125 |
| Net position: | | | | | | |
| Net investment in capital assets | 17,350,134 | 4,872 | 17,355,006 | 17,466,583 | 9,663 | 17,476,246 |
| Restricted | 3,265,911 | - | 3,265,911 | 2,899,207 | - | 2,899,207 |
| Unrestricted | (3,362,436) | 1,101 | (3,361,335) | (2,027,272) | 46,676 | (1,980,596) |
| Total Net Position | $ 17,253,609 | $ 5,973 | $ 17,259,582 | $ 18,338,518 | $ 56,339 | $ 18,394,857 |

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 $17,259,582 on June 30, 2025. This is a change of (6.17)% 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 | $ 166,712 | $ 26,193 | $ 192,905 | $ - | $ 20,683 | $ 20,683 |
| Operating and capital grants and contributions | 1,981,861 | 6,412 | 1,988,273 | 680,238 | 3,761 | 683,999 |
| General revenues: | | | | | | |
| Property taxes | 17,627,930 | - | 17,627,930 | 16,820,704 | - | 16,820,704 |
| Federal and state aid | 1,507,357 | - | 1,507,357 | 6,003,749 | - | 6,003,749 |
| Interest | 7,980 | - | 7,980 | - | - | - |
| Miscellaneous | 233,186 | - | 233,186 | 613,106 | - | 613,106 |
| Total revenues | 21,525,026 | 32,605 | 21,557,631 | 24,117,797 | 24,444 | 24,142,241 |
| Expenses | | | | | | |
| Instructional services | 9,773,216 | - | 9,773,216 | 8,713,279 | - | 8,713,279 |
| Support services | 12,431,239 | 82,971 | 12,514,210 | 15,801,780 | 27,733 | 15,829,513 |
| Interest on long-term liabilities | 405,480 | - | 405,480 | 429,768 | - | 429,768 |
| Total expenses | 22,609,935 | 82,971 | 22,692,906 | 24,944,827 | 27,733 | 24,972,560 |
| Change in net position | (1,084,909) | (50,366) | (1,135,275) | (827,030) | (3,289) | (830,319) |

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

## Expenses for Fiscal Year June 30, 2025

### Business-Type Activities

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

Total Enterprise Fund expenses exceeded revenues by $50,366.

Charges for services represent $26,193 of revenue. This represents the amount paid by patrons for daily food services.

Federal and state reimbursements for meals, payments for free and reduced lunches and donated commodities was $6,412.

## 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 Services | Net Cost of Services | Total Cost of Services | Net Cost of Services |
| Instruction | $ 9,773,216 | $ 9,496,464 | $ 8,713,279 | $ 8,236,223 |
| Support Services: | | | | |
| Pupils and Instructional Staff | 4,269,694 | 2,542,775 | 3,124,448 | 2,921,266 |
| General Administration, School Administration, Business Operation and Maintenance of Facilities | 7,984,286 | 7,839,384 | 12,407,119 | 12,407,119 |
| Pupil Transportation | 177,259 | 177,259 | 270,213 | 270,213 |
| Interest and Fiscal Charges | 405,480 | 405,480 | 429,768 | 429,768 |
| Total Expenses | $ 22,609,935 | $ 20,461,362 | $ 24,944,827 | $ 24,264,589 |

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

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

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

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

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 Fair Haven, 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 $3,186,146, which is an decrease of $1,279,583. 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.

| Revenue | 2025 Amount | Percent of Total | Increase/ (Decrease) from 2024 | Percent of Increase/ (Decrease) |
|---|---|---|---|---|
| Local Sources | $ 18,090,762 | 84.04 % | $ 813,159 | 4.71 % |
| State Sources | 2,991,614 | 13.90 | (3,020,771) | (50.24) |
| Federal Sources | 442,650 | 2.06 | (228,952) | (34.09) |
| Total | $ 21,525,026 | 100.00 % | $ (2,436,564) | (10.17)% |

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.

| Expenditures | 2025 Amount | Percent of Total | Increase/ (Decrease) from 2024 | Percent of Increase/ (Decrease) |
|---|---|---|---|---|
| Current Expenditures: | | | | |
| Instruction | $ 8,802,858 | 38.60 % | $ 89,579 | 1.03 % |
| Undistributed Expenditures | 11,674,035 | 51.19 | (3,004,553) | (20.47) |
| Capital Outlay | 936,648 | 4.11 | 641,203 | 217.03 |
| Debt Service: | | | | |
| Principal | 980,000 | 4.30 | - | - |
| Interest | 411,068 | 1.80 | (23,900) | (5.49) |
| Total | $ 22,804,609 | 100.00 % | $ (2,297,671) | (9.15)% |

## 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 $524,804 below what had been budgeted in terms of actual expenditures. General Fund revenues were approximately about $220,233 more than projected. 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:

| | | |
|---|---|---|
| Capital Reserve | 10-116 | 1,330,818 |
| Maintenance Reserve | 10-117 | 428,338 |
| Emergency Reserve | 10-118 | 2,506 |
| Unemployment Claims | SUI | 96,715 |

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.

Expenditures decreased due to cost containment measures which included participating in various cooperatives and jointures. These agreements decrease the prices offered to the District on various goods and services that are provided, including supplies and energy.

Revenues were primarily affected by increases in the tax levy.

Calculated excesses, if any, 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. Additionally, efforts were made to reduce out of district placements by increasing services offered to students within our schools.

## Capital Assets and Debt Administration

*Capital Assets.* At the end of the fiscal year June 30, 2025, the School Board had $32,860,006 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 | $ 439,000 | $ 439,000 | $ - | $ - | $ 439,000 | $ 439,000 |
| Construction in Progress | - | - | - | - | - | - |
| Building and Improvements | 32,073,811 | 33,100,097 | - | - | 32,073,811 | 33,100,097 |
| Machinery and Equipment | 342,323 | 412,486 | 4,872 | 9,663 | 347,195 | 422,149 |
| Total | $ 32,855,134 | $ 33,951,583 | $ 4,872 | $ 9,663 | $ 32,860,006 | $ 33,961,246 |

During the current fiscal year, $- and $- of capital assets were capitalized as additions to governmental activities and business-type activities, respectively. 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:

| | June 30, 2025 | June 30, 2024 |
|---|---|---|
| Bonds Payable (net) | $ 15,505,000 | $ 16,485,000 |
| Pension Liability-PERS | 2,869,943 | 3,275,959 |
| Compensated Absences payable | 344,558 | 370,743 |
| Total long-term liabilities | $ 18,719,501 | $ 20,131,702 |

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 16% of the School Board's revenue is from federal, state and other aid (restricted and not restricted), while 84% of total revenue is from local sources.

The $(3,362,436) 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 owe this value to debtors.

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 the Borough of Fair Haven 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 Fair Haven School District, 224 Hance Road, Fair Haven, NJ, 07704.

BASIC FINANCIAL STATEMENTS

Exhibit A-1

FAIR HAVEN SCHOOL DISTRICT
Statement of Net Position
June 30, 2025

| | Governmental Activities | Business-type Activities | Total |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and cash equivalents | $ 2,031,049 | $ 806 | $ 2,031,855 |
| Reserve accounts-restricted | 1,780,458 | - | 1,780,458 |
| Maintenance reserve cash | - | | - |
| Emergency reserve cash | - | | - |
| Receivables - other | - | - | - |
| Receivables - state | 237,620 | 15 | 237,635 |
| Receivables - federal | 111,183 | 280 | 111,463 |
| Inventory | - | - | - |
| Capital assets, non-depreciable | 439,000 | - | 439,000 |
| Capital assets, depreciable, net | 32,416,134 | 4,872 | 32,421,006 |
| Total assets | 37,015,444 | 5,973 | 37,021,417 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | |
| Deferred outflows - PERS | 437,805 | - | 437,805 |
| Deferred charge on refunding | - | - | - |
| Total deferred outflows of resources | 437,805 | - | 437,805 |
| **LIABILITIES** | | | |
| Accounts payable | 39,164 | - | 39,164 |
| Accrued payroll | - | - | - |
| Other liabilities | 163,293 | - | 163,293 |
| Interfund payable | - | - | - |
| Payable to state government | - | - | - |
| Unearned revenue | 902,770 | - | 902,770 |
| Noncurrent liabilities: | | | |
| Due within one year | 975,000 | - | 975,000 |
| Due beyond one year | 17,744,501 | - | 17,744,501 |
| Total liabilities | 19,824,728 | - | 19,824,728 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Deferred inflows - PERS | 374,912 | - | 374,912 |
| Deferred premium on refunding | - | - | - |
| Total deferred inflows of resources | 374,912 | - | 374,912 |
| **NET POSITION** | | | |
| Net Investment in capital assets | 17,350,134 | 4,872 | 17,355,006 |
| Restricted for: | | | |
| Debt service | 1 | - | 1 |
| Capital projects | 1,847,839 | - | 1,847,839 |
| Unemployment compensation | 96,715 | - | 96,715 |
| Scholarships | 63,100 | - | 63,100 |
| Student activities | 64,474 | - | 64,474 |
| Other purposes | 430,844 | - | 430,844 |
| Unrestricted | (2,599,498) | 1,101 | (2,598,397) |
| Total net position | $ 17,253,609 | $ 5,973 | $ 17,259,582 |

See accompanying notes to financial statements.

Exhibit A-2

**FAIR HAVEN SCHOOL DISTRICT**
**Statement of Activities**
**For the Year Ended June 30, 2025**

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions | Net (Expense) Revenue and Changes in Net Position: Governmental Activities | Net (Expense) Revenue and Changes in Net Position: Business-type Activities | Net (Expense) Revenue and Changes in Net Position: Total |
|---|---|---|---|---|---|---|---|
| **Governmental activities:** | | | | | | | |
| Current: | | | | | | | |
| Regular instruction | $ 6,949,166 | $ - | $ 48,575 | $ - | $ (6,900,591) | $ - | $ (6,900,591) |
| Special education instruction | 2,691,268 | - | 228,177 | - | (2,463,091) | - | (2,463,091) |
| Other special instruction | 132,782 | - | - | - | (132,782) | - | (132,782) |
| Support services and undistributed costs: | | | | | | | |
| Instruction | 174,653 | - | 4,282 | - | (170,371) | - | (170,371) |
| Attendance and social work | - | - | - | - | - | - | - |
| Health services | 137,388 | - | 3,600 | - | (133,788) | - | (133,788) |
| Other support services | 1,685,739 | 166,712 | 62,362 | - | (1,456,665) | - | (1,456,665) |
| Improvement of instruction | 413,426 | - | 5,706 | - | (407,720) | - | (407,720) |
| Educational media services | 374,231 | - | - | - | (374,231) | - | (374,231) |
| Instruction staff training | - | - | - | - | - | - | - |
| General administrative services | 485,086 | - | - | - | (485,086) | - | (485,086) |
| School administrative services | 479,019 | - | - | - | (479,019) | - | (479,019) |
| School central services | 365,029 | - | - | - | (365,029) | - | (365,029) |
| School admin info technology | - | - | - | - | - | - | - |
| Allowed maintenance for school facilities | 347,952 | - | - | - | (347,952) | - | (347,952) |
| Other operation & maintenance of plant | 2,124,083 | - | 144,902 | - | (1,979,181) | - | (1,979,181) |
| Care & upkeep of grounds | - | - | - | - | - | - | - |
| Security | 118,503 | - | - | - | (118,503) | - | (118,503) |
| Student transportation services | 177,259 | - | - | - | (177,259) | - | (177,259) |
| Unallocated employee benefits | 4,064,614 | - | - | - | (4,064,614) | - | (4,064,614) |
| Non-budgeted expenses | 1,484,257 | - | 1,484,257 | - | - | - | - |
| Interest expense | 405,480 | - | - | - | (405,480) | - | (405,480) |
| Total governmental activities | 22,609,935 | 166,712 | 1,981,861 | - | (20,461,362) | - | (20,461,362) |
| **Business-type activities:** | | | | | | | |
| Food Service | 82,971 | 26,193 | 6,412 | - | - | (50,366) | (50,366) |
| Child Care | - | - | - | - | - | - | - |
| Total business-type activities | 82,971 | 26,193 | 6,412 | - | - | (50,366) | (50,366) |
| Total primary government | $ 22,692,906 | $ 192,905 | $ 1,988,273 | $ - | $ (20,461,362) | $ (50,366) | $ (20,511,728) |
| **General revenues:** | | | | | | | |
| Property taxes: | | | | | | | |
| Levied for general purposes | | | | | $ 16,389,640 | $ - | $ 16,389,640 |
| Levied for debt service | | | | | 1,238,290 | - | 1,238,290 |
| Federal and state aid not restricted | | | | | 1,507,357 | - | 1,507,357 |
| Interest - restricted | | | | | 7,980 | - | 7,980 |
| Miscellaneous income | | | | | 233,186 | - | 233,186 |
| Gain on disposal of fixed assets | | | | | - | - | - |
| Total general revenues | | | | | 19,376,453 | - | 19,376,453 |
| **Change in net position** | | | | | (1,084,909) | (50,366) | (1,135,275) |
| **Net position, July 1** | | | | | 18,338,518 | 56,339 | 18,394,857 |
| **Net position, June 30** | | | | | $ 17,253,609 | $ 5,973 | $ 17,259,582 |

See accompanying notes to financial statements.

Exhibit B-1

**FAIR HAVEN 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 | $ 320,373 | $ 90,885 | $ 1,619,791 | $ - | $ 2,031,049 |
| Reserve accounts | 1,780,458 | - | - | - | 1,780,458 |
| Receivables from state | 237,620 | - | - | - | 237,620 |
| Receivables from federal | - | 111,183 | - | - | 111,183 |
| Interfund receivable | 271,419 | - | - | 200,000 | 471,419 |
| Other receivables | - | - | - | - | - |
| Total assets | $ 2,609,870 | $ 202,068 | $ 1,619,791 | $ 200,000 | $ 4,631,729 |
| **LIABILITIES AND FUND BALANCES** | | | | | |
| Liabilities: | | | | | |
| Accounts payable | $ 36,090 | $ 3,074 | $ - | $ - | $ 39,164 |
| Accrued salaries and benefits | - | - | - | - | - |
| Interfund payable | - | 71,420 | 200,000 | 199,999 | 471,419 |
| Payroll deductions and withholdings payable | - | | | | - |
| Other current liabilities | 32,230 | - | - | - | 32,230 |
| Unearned revenue | - | - | 902,770 | - | 902,770 |
| Total liabilities | 68,320 | 74,494 | 1,102,770 | 199,999 | 1,445,583 |
| Fund Balances: | | | | | |
| Restricted for: | | | | | |
| Capital reserve account | 1,330,818 | - | - | - | 1,330,818 |
| Maintenance reserve account | 428,338 | - | - | - | 428,338 |
| Emergency reserve account | 2,506 | - | - | - | 2,506 |
| Unemployment compensation | 96,715 | - | - | - | 96,715 |
| Scholarships | - | 63,100 | - | - | 63,100 |
| Student activities | - | 64,474 | - | - | 64,474 |
| Excess surplus - current year | - | - | - | - | - |
| Excess surplus -- designated for subsequent year's expenditures | - | - | - | - | - |
| Debt service fund | - | - | - | 1 | 1 |
| Capital projects fund | - | - | 517,021 | - | 517,021 |
| Committed to: | | | | | |
| Assigned to: | | | | | |
| Other purposes | 12,938 | - | - | - | 12,938 |
| Designated by the BOE for subsequent year's expenditures | 750,000 | - | - | - | 750,000 |
| Unassigned to: | | | | | |
| General fund | (79,765) | - | - | - | (79,765) |
| Total fund balances | 2,541,550 | 127,574 | 517,021 | 1 | 3,186,146 |
| Total liabilities and fund balances | $ 2,609,870 | $ 202,068 | $ 1,619,791 | $ 200,000 | |

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. | 32,855,134 |
| Deferred outflows related to PERS pension plan | 437,805 |
| Deferred inflows related to the PERS plan | (374,912) |
| Bond premium is being amortized over the life of the related bonds. The amortization is not recorded in the funds. The original costs were $0. | - |
| Accrued Interest | (131,063) |
| Long-term liabilities, including bonds payable but not including current portion of compensated absences of $0 are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 13). | (18,719,501) |
| Net position of governmental activities | $ 17,253,609 |

See accompanying notes to financial statements.

Exhibit B-2

FAIR HAVEN SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

| | General Fund | Special Revenue Fund | Capital Projects Fund | Debt Service Fund | Total Governmental Funds |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| Local sources: | | | | | |
| Local tax levy | $ 16,389,640 | $ - | $ - | $ 1,238,290 | $ 17,627,930 |
| Tuition charges | 116,931 | - | - | - | 116,931 |
| Interest earned on reserve funds | 6,204 | - | - | - | 6,204 |
| Interest earned on unemployment-restricted | 1,776 | - | - | - | 1,776 |
| Interest earned | 86,631 | - | - | - | 86,631 |
| Miscellaneous | 29,624 | 221,666 | - | - | 251,290 |
| Total - Local sources | 16,630,806 | 221,666 | - | 1,238,290 | 18,090,762 |
| State sources | 3,010,120 | 22,591 | (193,875) | 152,778 | 2,991,614 |
| Federal sources | - | 442,650 | - | - | 442,650 |
| Other financing sources | - | - | - | - | - |
| Total revenues | 19,640,926 | 686,907 | (193,875) | 1,391,068 | 21,525,026 |
| **EXPENDITURES** | | | | | |
| Current: | | | | | |
| Regular instruction | 5,968,608 | 48,575 | - | - | 6,017,183 |
| Special education instruction | 2,430,198 | 228,177 | - | - | 2,658,375 |
| Other special instruction | 127,300 | - | - | - | 127,300 |
| Undistributed - current: | | | | | |
| Instruction | 77,173 | 4,282 | - | - | 81,455 |
| Attendance and social work | - | - | - | - | - |
| Health services | 133,788 | 3,600 | - | - | 137,388 |
| Other support services | 1,516,622 | 169,117 | - | - | 1,685,739 |
| Improvement of instruction | 407,720 | 5,706 | - | - | 413,426 |
| Educational media services | 374,231 | - | - | - | 374,231 |
| Instruction staff training | - | - | - | - | - |
| General administrative services | 485,086 | - | - | - | 485,086 |
| School administrative services | 472,311 | - | - | - | 472,311 |
| School central services | 365,029 | - | - | - | 365,029 |
| School admin info technology | - | - | - | - | - |
| Required maintenance for school facilities | 347,952 | - | - | - | 347,952 |
| Other operation & maintenance of plant | 1,187,435 | - | - | - | 1,187,435 |
| Care & upkeep of grounds | - | - | - | - | - |
| Security | 118,503 | - | - | - | 118,503 |
| Student transportation services | 177,259 | - | - | - | 177,259 |
| Unallocated employee benefits | 4,343,964 | - | - | - | 4,343,964 |
| Non-budgeted expenditures | 1,484,257 | - | - | - | 1,484,257 |
| Debt service: | | | | | |
| Principal | - | - | - | 980,000 | 980,000 |
| Interest and other charges | - | - | - | 411,068 | 411,068 |
| Capital outlay | 16,759 | 167,493 | 752,396 | - | 936,648 |
| Total expenditures | 20,034,195 | 626,950 | 752,396 | 1,391,068 | 22,804,609 |
| Excess (Deficiency) of revenues over expenditures | (393,269) | 59,957 | (946,271) | - | (1,279,583) |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Sale of Bonds | - | - | - | - | - |
| Refunding of bonds | - | - | - | - | - |
| Premium and costs for bond issuance | - | - | - | - | - |
| Transfers in | 281,118 | - | - | - | 281,118 |
| Transfers out | - | - | (281,118) | - | (281,118) |
| Total other financing sources and uses | 281,118 | - | (281,118) | - | - |
| Net change in fund balances | (112,151) | 59,957 | (1,227,389) | - | (1,279,583) |
| Fund balance–July 1 | 2,653,701 | 67,617 | 1,744,410 | 1 | 4,465,729 |
| Fund balance–June 30 | $ 2,541,550 | $ 127,574 | $ 517,021 | $ 1 | $ 3,186,146 |

See accompanying notes to financial statements.

Exhibit B-3

FAIR HAVEN 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)** | | | **$ (1,279,583)** |
| 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 | $ (1,096,449) | |
| | Capital outlays | - | (1,096,449) |
| In the statement of activities, only the loss on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net position will differ from the change in fund balance by the cost of the asset removed. | | | |
| | Accumulated depreciation on capital assets sold or retired during the fiscal year ended June 30, 2025 | - | |
| | Cost basis of capital assets sold or retired during the fiscal year ended June 30, 2025 | - | - |
| 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 | | | 279,350 |
| 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. | | | 980,000 |
| 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. | | | 5,588 |
| 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. | | | 26,185 |
| **Change in net position of governmental activities** | | | **$ (1,084,909)** |

See accompanying notes to financial statements.

Exhibit B-4

FAIR HAVEN SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2025

| | Business-type Activities - Enterprise Funds |
|---|---|
| | Food Service |
| **ASSETS** | |
| Current assets: | |
| Cash and cash equivalents | $ 806 |
| Receivables from state | 15 |
| Receivables from federal | 280 |
| Inventories | - |
| Total current assets | 1,101 |
| Noncurrent assets: | |
| Building and Improvements | 48,623 |
| Furniture, machinery & equipment | - |
| Less accumulated depreciation | (43,751) |
| Total noncurrent assets | 4,872 |
| Total assets | $ 5,973 |
| **LIABILITIES** | |
| Current liabilities: | |
| Accounts payable | $ - |
| Unearned revenue | - |
| Other current liabilities | - |
| Total current liabilities | - |
| Noncurrent Liabilities: | |
| Compensated absences | - |
| Total noncurrent liabilities | - |
| Total liabilities | - |
| **NET POSITION** | |
| Net investment in capital assets | 4,872 |
| Restricted for: | |
| Other | - |
| Unrestricted | 1,101 |
| Total net position | 5,973 |
| Total liabilities and net position | $ 5,973 |

See accompanying notes to financial statements.

Exhibit B-5

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

| | Business-type Activities - Enterprise Fund |
|---|---|
| | Food Service |
| Operating revenues: | |
| Local sources: | |
| Daily sales reimbursable programs | |
| School breakfast | $ - |
| School lunch | 26,193 |
| Total daily sales reimbursable programs | 26,193 |
| Daily sales non-reimbursable programs | - |
| Special functions | - |
| Miscellaneous | - |
| Total operating revenues | 26,193 |
| Operating expenses: | |
| Salaries | - |
| Employee benefits | - |
| Other purchased services | 11,894 |
| Supplies and materials | 3,873 |
| Utilities | - |
| Other objects | - |
| Depreciation | 4,791 |
| Cost of sales - reimbursable programs | - |
| Cost of sales - non-reimbursable programs | 62,413 |
| Total operating expenses | 82,971 |
| Operating income (loss) | (56,778) |
| Nonoperating revenues (expenses): | |
| Interest income | - |
| State sources: | |
| State school breakfast program | - |
| State school lunch program | 345 |
| S-EBT Cost Reimbursement | 321 |
| Federal sources: | |
| School breakfast program | - |
| National school lunch program | 5,424 |
| S-EBT Cost Reimbursement | 322 |
| Food distribution program | - |
| Total nonoperating revenues (expenses) | 6,412 |
| Income (loss) before contributions & transfers | (50,366) |
| Transfers in (out) | - |
| Change in net position | (50,366) |
| Total net position –beginning | 56,339 |
| Total net position –ending | $ 5,973 |

See accompanying notes to financial statements.

Exhibit B-6

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

| | Business-type Activities - Enterprise Funds | |
|---|---|---|
| | Food Service | Total Enterprise |
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Receipts from customers and other funds | $ 71,056 | $ 71,056 |
| Payments to employees & benefits | - | - |
| Payments to suppliers | (78,771) | (78,771) |
| **Net cash provided by (used in) operating activities** | (7,715) | (7,715) |
| **CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES** | | - |
| State sources | 1,162 | 1,162 |
| Federal sources | 5,514 | 5,514 |
| **Net cash provided by (used in) non-capital financing activities** | 6,676 | 6,676 |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | |
| Change in capital contributions | - | - |
| Purchases of capital assets | - | - |
| Gain/Loss on sale of capital assets (proceeds) | - | - |
| **Net cash provided by (used in) capital and related financing activities** | - | - |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Interest and dividends | - | - |
| **Net cash provided by (used in) investing activities** | - | - |
| **Net increase (decrease) in cash and cash equivalents** | (1,039) | (1,039) |
| **Balances–beginning of year** | 1,845 | 1,845 |
| **Balances–end of year** | $ 806 | $ 806 |
| **Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:** | | |
| Operating income (loss) | $ (56,778) | $ (56,778) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities: | | |
| Depreciation and net amortization | 4,791 | 4,791 |
| Federal commodities | - | - |
| (Increase) decrease in accounts receivable, net | 44,863 | 44,863 |
| (Increase) decrease in inventories | - | - |
| Increase (decrease) in accounts payable | (591) | (591) |
| Increase (decrease) in unearned revenue | - | - |
| Increase (decrease) in compensated absences | - | - |
| Increase (decrease) in accrued payroll | - | - |
| Increase (decrease) in other current liabilities | - | - |
| **Total adjustments** | 49,063 | 49,063 |
| **Net cash provided by (used in) operating activities** | $ (7,715) | $ (7,715) |

See accompanying notes to financial statements.

## 1. Summary of Significant Accounting Policies

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

### A. Reporting Entity

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is 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 purpose of the district is to educate students in grades K-8.

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 the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The district-wide financial statements include all funds and account groups of the District over which the Board exercises operating control. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

### B. Basis of Presentation

The School District's basic financial statements consist of District-wide statements, including a Statement of Net Position and a Statement of Activities, and Fund Financial Statements which provide a more detailed level of financial information. The Statement of Net Position includes the reporting of assets, deferred outflows, liabilities and deferred inflows. Items not meeting that definition of assets and liabilities have been classified as deferred outflows or deferred inflows. The deferred outflows are reported under assets and deferred inflows are reported under liabilities on the Statement of Net Position.

The School District has Bond Costs which have been classified as a Deferred Outflow and the Bond Premium has been classified as a Deferred Inflow. The School District has employees that are enrolled in a defined benefit plan operated by the State of New Jersey which creates deferred outflows and inflows as described in Note 12.

## 1. Summary of Significant Accounting Policies (Cont'd)

### B. Basis of Presentation (Cont'd)

District-Wide Statements: The district-wide financial statements (A-1 and A-2) include the Statement of Net Position and the Statement of Activities. These Statements include the financial activities of the overall District, except for fiduciary activities. All interfund activity, excluding the fiduciary funds, has been eliminated in the Statement of Activities. Individual funds are not displayed but the statements distinguish governmental activities, generally financed in whole or in part with fees charged to external customers.

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

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The Fund Financial Statements provide information about the District's funds, including its fiduciary funds. Separate statements for each Fund category - governmental, proprietary, and fiduciary - are presented. The New Jersey Department of Education ("NJDOE") has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in Governmental Accounting Standards. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

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

## 1. Summary of Significant Accounting Policies (Cont'd)

### B. Basis of Presentation (Cont'd)

#### General Fund (cont'd)

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated Fund Balance. Expenditures are those that result in the acquisition of or additions to Capital Assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by Board resolution; in certain instances approval by the County Superintendent of Schools may also be required.

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

**Capital Projects Fund -** The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The 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.

The District reports the following proprietary fund:

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

## 1. Summary of Significant Accounting Policies (Cont'd)

### B. Basis of Presentation (Cont'd)

#### Enterprise Fund (cont'd)

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

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

| | |
|---|---|
| Equipment | 5-20 Years |

Additionally, the District reports the following fund type:

**Fiduciary Funds -** The Fiduciary Funds are used to account for assets held by the District on behalf of others if applicable.

### C. Basis of Accounting

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

**District-Wide, Proprietary, and Fiduciary Fund Financial Statements:** The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds are accounted for using the "economic resources" measurement focus and the modified accrual basis of accounting; the Enterprise Fund and Fiduciary Funds are accounted for using the "economic resources" measurement focus and the accrual basis of accounting. Differences in the accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures. The tax revenues are recognized in the year for which they are levied (see Note 1.). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

## 1. Summary of Significant Accounting Policies (Cont'd)

### C. Basis of Accounting (cont'd)

**Governmental Fund Financial Statements:** Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Available means collectible within the current period or soon thereafter to pay current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

### D. Property Taxes

Ad Valorem (Property) Taxes are susceptible to accrual as, under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The 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".

### E. 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 and are not voted upon in the annual school election. Budgets are prepared using the modified accrual basis of accounting, except for Special Revenue Fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C 6A:23A-16.2(f). All budget amendments/transfers must be approved by Board resolution. Budget amendments during the year ended June 30, 2025 were insignificant.

## 1. Summary of Significant Accounting Policies (Cont'd)

### E. Budgets/Budgetary Control (cont'd)

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

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

### F. Encumbrances

Under Encumbrance Accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the Special Revenue Fund are reported as 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.

### G. Cash, Cash Equivalents and Investments

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

## 1. Summary of Significant Accounting Policies (Cont'd)

### G. Cash, Cash Equivalents and Investments (cont'd)

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

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

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

### H. Tuition Receivable

Tuition charges were established by the District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

### I. Tuition Payable

Tuition charges for the fiscal years 2024-2025 are based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

### J. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods are recorded as an expenditure during the year of purchase.

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

## 1. Summary of Significant Accounting Policies (Cont'd)

### K. Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. All interfund receivables and payables between the governmental and proprietary funds have been eliminated in the district-wide statements.

### L. Capital Assets

The District has an established formal system of accounting for its Capital Assets. Purchased or constructed Capital Assets are reported at cost. Donated Capital Assets are valued at their estimated acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is $2,000.

All reported Capital Assets except for Land and Construction in Progress are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

| Asset Class | Estimated Useful Lives |
|---|---|
| Buildings and Improvements | 20-50 |
| Equipment and Vehicles | 5-20 |
| Furniture and Fixtures | 5-20 |

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets are not capitalized and related depreciation is not reported in the fund financial statements.

### M. Accrued Salaries and Wages

Certain District 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. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2025, the amount earned by these employees but not disbursed was $-.

## 1. Summary of Significant Accounting Policies (Cont'd)

### N. Compensated Absences

District employees are granted varying amounts of vacation and sick leave in accordance with the District's employment contracts. Upon termination, employees are paid for accrued vacation. Sick leave benefits provide for ordinary sick pay and are reimbursable in accordance with the individual's employment contract. The liability for vested compensated absences of the governmental fund types is recorded as a non-current liability in the governmental fund. The balance at June 30, 2025 is $-.

### O. Unearned Revenue

Unearned revenue in the general. special revenue and propriety funds represents cash which has been received but not yet earned.

### 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 are accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to 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. Net Position

Net Position represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

### R. Fund Balance Reserves

The fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories, as defined below:

## 1. Summary of Significant Accounting Policies (Cont'd)

### R. Fund Balance Reserves (Cont'd)

1) Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.

2) Restricted – includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

3) Committed – includes amounts that can be spent only for the specific purposes determined by a formal action of the District's highest level of decision-making authority.

4) Assigned – amounts intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process.

5) Unassigned – includes all spendable amounts not contained in the other classifications.

### S. Revenues Exchange and Nonexchange Transactions

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

Nonexchange Transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from Nonexchange Transactions must also by available before it can be recognized.

## 1. Summary of Significant Accounting Policies (Cont'd)

### S. Revenues Exchange and Nonexchange Transactions (Cont'd)

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

### T. Operating Revenues and Expenses

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

### 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. 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 attributable to a specific function is considered an Indirect Expense and is reported separately in the Statement of Activities. Interest on long-term debt is considered an Indirect Expense and is reported separately on the Statement of Activities.

### W. Management Estimates

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

## 1. Summary of Significant Accounting Policies (Cont'd)

### X. 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.

### Y. GASB Pronouncements

### 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.

### Recently Issued Accounting Pronouncements to be implemented in future years

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.

## 2. Cash, Cash Equivalents and Investments

Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-414 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the ACT, the first $250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2025, the School District's bank balance of $4,660,111 was exposed to custodial credit risk as follows:

| | |
|---|---|
| Insured under FDIC and GUDPA | $ 4,293,801 |
| Uninsured and Uncollateralized | 366,310 |
| | $ 4,660,111 |

## 3. Investments

Pursuant to the Enabling Act, the funds of the District may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or other obligations as the District may approve.

As of June 30, 2025, the District had no investments on deposit.

## 4. Capital Reserve Account

A Capital Reserve Account was established by the Fair Haven Board of Education by inclusion of $100 in the original 2000 budget, which was certified for taxes, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The Capital Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the Capital Reserve Account are restricted to Capital Projects in the District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a district may deposit funds at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Post-April 2004 transfers must be in compliance with P.L, 2004, C.73 (S1701). Pursuant to N.J.A.C. 6:23A-14.1(g), the balance in the Account cannot at any time exceed the local support costs of uncompleted Capital Projects in its approved LRFP.

## 4. Capital Reserve Account (Cont'd)

During the fiscal year ended June 30, 2025, the District had actual interest earnings of $2,699 .

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 | $ 2,094,002 |
| Add: | |
| Interest Earnings | 2,699 |
| Ending Balance, June 30, 2025 | $ 2,096,701 |

The June 30, 2025 LRFP balance of local support costs of uncompleted Capital Projects is $34,441,500.

## 5. Maintenance Reserve Account

A Maintenance Reserve Account was established by the Fair Haven Board of Education for the accumulation of funds for use as maintenance of Capital Projects in subsequent fiscal years. The Maintenance Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the Maintenance Reserve Account are restricted to maintenance projects in the District's approved Comprehensive Maintenance Plan (CMP). Upon submission of the CMP to the New Jersey Department of Education, the District may increase the balance in the maintenance reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The 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 N.J.A.C. 6A:23A-14.2(g), the balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The balance in the Maintenance Reserve does not exceed four percent of the replacement cost of the school district's school facilities for the current year at June 30, 2025.

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

| | |
|---|---|
| Balance, July 1, 2024 | $ 849,676 |
| Add: | |
| Increase per resolution | 225,000 |
| Interest earnings | 3,500 |
| Withdrawals per budget | (225,000) |
| Balance, June 30, 2025 | $ 853,176 |

## 6. Emergency Reserve Account

An Emergency Reserve Account was established by the Fair Haven Board of Education for the accumulation of funds in accordance with N.J.S.A. 18A:7F-41c(1). The Emergency Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget. Funds placed in the Emergency Reserve Account are to finance unanticipated general fund expenditures required for a thorough and efficient education.
The activity of the Emergency Reserve for the July 1, 2024 to June 30, 2025 fiscal year is as follows:

| | |
|---|---|
| Balance, July 1, 2024 | $ 5,002 |
| Add: | |
| Interest earnings | 5 |
| Balance, June 30, 2025 | $ 5,007 |

The balance in the Emergency Reserve can not exceed 1% of the district's general fund budget.

## 7. Receivables

Receivables at June 30, 2025, consisted of amounts (rent and tuition), accrued interest, interfund, intergovernmental, and property taxes. All Receivables are considered collectible in full. A summary of the principal items of intergovernmental receivable follows:

| | Governmental Fund Financial Statements | District-Wide Financial Statements |
|---|---|---|
| State Aid | $ 237,620 | $ 237,635 |
| Federal Aid | 111,183 | 111,463 |
| Other | - | - |
| Gross Receivables | 348,803 | 349,098 |
| Less: Allowance for Credit Losses | - | - |
| Total Receivables, Net | $ 348,803 | $ 349,098 |

## 8. Interfund Balances and Transfers

Balances due to/from other funds at June 30, 2025 consist of the following:

| | | |
|---|---|---|
| $ | 199,999 | Due to General Fund from Debt Service Fund representing cash advance. |
| | 71,420 | Due to General Fund from Special Revenue Fund representing cash advance. |
| | 200,000 | Due to Debt Service Fund from Capital Project Fund representing interest. |
| $ | 471,419 | |

## 9. Contingent liabilities

### Grant Programs

The school district participates in federal awards and state financial assistance grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

### Litigation

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District.

## 10. Capital Assets

Capital assets consisted of the following at June 30, 2025:

| | Beginning Balance | Additions | Retirements | Ending Balance |
|---|---|---|---|---|
| Governmental Activities: | | | | |
| Capital Assets Not Being Depreciated | | | | |
| Land | $ 878,000 | $ - | $ - | $ 878,000 |
| Total Capital Assets Not Being Depreciated | 878,000 | - | - | 878,000 |
| Capital Assets Being Depreciated | | | | |
| Building and Building Improvements | 88,726,522 | - | - | 88,726,522 |
| Machinery and Equipment | 2,256,592 | - | - | 2,256,592 |
| Totals at Historical Cost | 90,983,114 | - | - | 90,983,114 |
| Less Accumulated Depreciation for: | | | | |
| Building and Building Improvements | (22,526,328) | (1,026,286) | - | (23,552,614) |
| Machinery and Equipment | (1,431,620) | (70,163) | - | (1,501,783) |
| Total Accumulated Depreciation | (23,957,948) | (1,096,449) | - | (25,054,397) |
| Total Capital Assets Being Depreciated, Net of Accumulated Depreciation | 67,025,166 | (1,096,449) | - | 65,928,717 |
| Government Activity Capital Assets, Net | $ 67,903,166 | $ (1,096,449) | $ - | $ 66,806,717 |
| Business-Type Activities: | | | | |
| Capital Assets Being Depreciated: | | | | |
| Equipment | $ 97,246 | $ - | $ - | $ 97,246 |
| Less Accumulated Depreciation | (77,920) | (4,791) | - | (82,711) |
| Business-Type Activities Capital Assets, Net | $ 19,326 | $ (4,791) | $ - | $ 14,535 |

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

| | |
|---|---|
| Regular Instruction | $ 931,983 |
| Student and Instruction Related Services | 32,893 |
| School Administration Services | 5,482 |
| Other Special Instruction | 93,198 |
| Special Education Instruction | 32,893 |
| Total depreciation expense | $ 1,096,449 |

## 11. Non-current Liabilities

During the fiscal year ended June 30, 2025, the following changes occurred in the non-current liabilities:

| Governmental Activities: | Balance July 1, 2024 | Increases/ (Decreases) | Balance June 30, 2025 | Amounts Due Within One Year |
|---|---|---|---|---|
| Compensated Absences Payable | $ 370,743 | $ (26,185) | $ 344,558 | $ - |
| Bonds Payable | 16,485,000 | (980,000) | 15,505,000 | 975,000 |
| Pension Liability-PERS | 3,275,959 | (406,016) | 2,869,943 | - |
| Total | $ 20,131,702 | $ (1,412,201) | $ 18,719,501 | $ 975,000 |

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

### A. Bonds Payable

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

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

| Fiscal Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 975,000 | $ 385,792 | $ 1,360,792 |
| 2027 | 970,000 | 362,480 | 1,332,480 |
| 2028 | 990,000 | 338,338 | 1,328,338 |
| 2029 | 1,020,000 | 313,087 | 1,333,087 |
| 2030 | 1,050,000 | 285,125 | 1,335,125 |
| 2031-2035 | 5,500,000 | 981,250 | 6,481,250 |
| 2036-2040 | 5,000,000 | 287,500 | 5,287,500 |
| | $ 15,505,000 | $ 2,953,572 | $ 18,458,572 |

### B. Bonds Authorized But Not Issued

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

## 12. 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.

### A. Public Employees' Retirement System (PERS) (cont'd)

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55$^{th}$ 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 1/60$^{th}$ 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.

## 12. Pension Plans (cont'd)

### A. Public Employees' Retirement System (PERS) (cont'd)

**Basis of Presentation (Cont'd) -** 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 2023, 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.

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources** - At June 30, 2025, the School District reported a liability of $2,869,943 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 .0211210903%, which was a decrease of .0013089097% from its proportion measured as of June 30, 2023.

## 12. Pension Plans (cont'd)

### A. Public Employees' Retirement System (PERS) (cont'd)

**Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources (Cont'd)** - For the year ended June 30, 2025, the School District recognized full accrual pension expense of $349,943 in the government-wide financial statements consisting of employer contributions of $287,399 and non-employer contributions of $62,544. 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 | $ 57,490 | $ 7,641 |
| Changes of assumptions | 3,565 | 32,653 |
| Net difference between projected and actual earnings on pension plan investments | - | 133,071 |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 85,029 | 201,547 |
| District contributions subsequent to the measurement date | 291,721 | - |
| Total | $ 437,805 | $ 374,912 |

$- 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:

| Year ended June 30: | |
|---|---|
| 2025 | $ (248,268) |
| 2026 | 192,102 |
| 2027 | (110,520) |
| 2028 | (63,803) |
| 2029 | 1,661 |
| Total | $ (228,828) |

**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.

## 12. Pension Plans (cont'd)

### A. Public Employees' Retirement System (PERS) (cont'd)

**Special Funding Situation (Cont'd)** - 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 $9,253.

## 12. Pension Plans (cont'd)

### A. Public Employees' Retirement System (PERS) (cont'd)

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between Expected and Actual Experience | | |
| Year of Pension Plan Deferral: | | |
| June 30, 2019 | 5.21 | - |
| June 30, 2020 | 5.16 | - |
| June 30, 2021 | - | 5.13 |
| June 30, 2022 | - | 5.04 |
| June 30, 2023 | 5.08 | - |
| June 30, 2024 | 5.08 | - |
| Changes of Assumptions | | |
| Year of Pension Plan Deferral: | | |
| June 30, 2019 | - | 5.21 |
| June 30, 2020 | - | 5.16 |
| June 30, 2021 | 5.13 | - |
| June 30, 2022 | - | 5.04 |
| 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.

## 12 Pension Plans (cont'd)

### A. Public Employees' Retirement System (PERS) (cont'd)

**Actuarial Assumptions** - The collective total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of July 1, 2022 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.

## 12 Pension Plans (cont'd)

### A. Public Employees' Retirement System (PERS) (cont'd)

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:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| U.S. Equity | 28.00 % | 8.63 % |
| Non-U.S. Developed Markets Equity | 12.75 % | 8.85 % |
| International Small Cap Equity | 1.25 % | 8.85 % |
| Emerging Markets Equity | 5.50 % | 10.66 % |
| Private Equity | 13.00 % | 12.40 % |
| Real 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 % |

## 12. Pension Plans (cont'd)

### A. Public Employees' Retirement System (PERS) (cont'd)

#### 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 | 3,845,549 | 2,869,943 | 2,084,425 |

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

| | 6/30/25 | 6/30/24 |
|---|---|---|
| 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 | .0211210903% | .022430000% |

## 12. Pension Plans (cont'd)

### 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:

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

Service retirement benefits of 1/55$^{th}$ 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 1/60$^{th}$ 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.

## 12. Pension Plans (cont'd)

### B. Teachers' Pension and Annuity (TPAF) (cont'd)

**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 $34,821,265. 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 .0704528490%, which was an decrease of .0009874151% 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 $2,930,979 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.

## 12. Pension Plans (cont'd)

### B. Teachers' Pension and Annuity (TPAF) (cont'd)

**Actuarial Assumptions** - The collective total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2023. 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:

## 12. Pension Plans (cont'd)

### B. Teachers' Pension and Annuity (TPAF) (cont'd)

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| 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:

## 12. Pension Plans (Cont'd)

### B. Teachers' Pension and Annuity (TPAF) (cont'd)

**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 | 41,446,082 | 34,821,265 | 29,328,830 |

**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

| | 6/30/25 | 6/30/24 |
|---|---|---|
| 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 | .0704528490% | .07144000% |

### 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 $2,390. There was no liability for unpaid contributions at June 30, 2025.

## 13. Post-Retirement Benefits

### 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.

## 13. Post-Retirement Benefits (cont'd)

### 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 7 State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2022 State OPEB liability to provide these benefits is $88.9 billion, a decrease of $12.7 billion, or 12.5 percent from the $101.6 billion liability recorded in Fiscal Year 2021. Additional information on Pensions and OPEB can be accessed at https://www.state.nj.us/treasury/pensions/financialreports.shtml

## 13. Post-Retirement Benefits (cont'd)

### 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 | 219,185 |
| Total | 372,741 |

### 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%<br>PFRS 3.25%-16.25%<br>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 |

## 13. Post-Retirement Benefits (cont'd)

### Total Nonemployer OPEB Liability (cont'd)

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 | | 51,347,810 |
| Net changes | | 7,288,962,291 |
| Balance at June 30, 2024 | $ | 59,650,630,530 |

### 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.

## 13 Post-Retirement Benefits (cont'd)

### 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 | $43,542,634 | $38,977,530 | $33,610,648 |

### 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:

| | 1% Decrease | Trend Rate | 1% Increase |
|---|---|---|---|
| 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 | $32,468,567 | $38,977,530 | $47,455,883 |

## 13. Post-Retirement Benefits (cont'd)

### 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 $856,434 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 Fair Haven Board of Education'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 2024 after June 30, 2023 measurement date | - | - |
| Total | $ 16,383,910,385 | $ 22,802,314,774 |

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 | (369,418,659) |
| Total | $ (6,418,404,389) |

## 14. Deferred Compensation

The Board offers its employees a choice of 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:

| | |
|---|---|
| AXA/Equitable | Security Benefit |
| Lincoln | Vanguard |

## 15. Risk Management

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

**Property and Liability Insurance -** The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Annual Comprehensive Financial Report. See J-20.

**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 the District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's trust fund for the current and the prior years.

| Fiscal Year Ended June 30, | District Contributions | Employee Contributions | Interest Income | Ending Balance |
|---|---|---|---|---|
| 2025 | $ - | $ 25,259 | $ - | $ 96,715 |
| 2024 | - | 717 | - | 71,456 |
| 2023 | - | 452 | - | 71,456 |

## 16. 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 11).

## 17. Fund Balances

General Fund – of the $2,541,550 General Fund balance at June 30, 2025, $12,938 of encumbrances is assigned to other purposes, $1,330,818 is restricted for capital reserve, $428,338 is restricted for maintenance reserve, $2,506 is restricted for emergency reserve, $96,715 is restricted for unemployment compensation $- is restricted for excess surplus, $- is restricted for excess surplus for subsequent year expenditures, $750,000 has been classified as assigned fund balance designated for subsequent year expenditures, and $(79,765) is unassigned.

Special Revenue Fund - of the $127,574 Special Revenue Fund balance at June 30, 2025, $63,100 is restricted for scholarships and $64,474 is restricted for student activities.

## 18. 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 $- calculated as excess surplus at June 30, 2025.

## 19. Uncertain Tax Positions

The school district had no unrecognized tax benefits at June 30, 2025. The school district files tax returns in the U.S. federal jurisdiction and New Jersey. The school district has no open year prior to June 30, 2022.

## 20. Subsequent Events

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

## 21. 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.

## 22. 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.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

Exhibit C-1

**FAIR HAVEN SCHOOL DISTRICT**
**Budgetary Comparison Schedule**
**General Fund**
**For the Year Ended June 30, 2025**

| | Original Budget | Transfers/ Encumbrances | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| **REVENUES:** | | | | | |
| Local sources: | | | | | |
| Local tax levy | $ 16,389,640 | $ - | $ 16,389,640 | $ 16,389,640 | $ - |
| Interest earned on emergency reserve | 5 | - | 5 | 5 | - |
| Interest earned on maintenance reserve | 3,500 | - | 3,500 | 3,500 | - |
| Interest earned on capital reserve funds | 3,500 | - | 3,500 | 2,699 | (801) |
| Interest earned on unemployment-restricted | - | - | - | 1,776 | 1,776 |
| Interest earned | - | - | - | 86,631 | 86,631 |
| Tuition - from individuals | 87,500 | - | 87,500 | 116,931 | 29,431 |
| Miscellaneous | 48,000 | - | 48,000 | 29,624 | (18,376) |
| Total - local sources | 16,532,145 | - | 16,532,145 | 16,630,806 | 98,661 |
| State sources: | | | | | |
| Categorical Transportation aid | 46,572 | - | 46,572 | 46,572 | - |
| Special Education Categorical aid | 1,095,516 | - | 1,095,516 | 1,095,516 | - |
| Security aid | 90,509 | - | 90,509 | 90,509 | - |
| Extraordinary aid | 185,000 | - | 185,000 | 206,572 | 21,572 |
| Other State Aids | - | 100,000 | 100,000 | 100,000 | - |
| TPAF - LTDI (on-behalf - Non-budgeted) | - | - | - | 1,337 | 1,337 |
| TPAF - post retirement medical (on-behalf - Non-budgeted) | - | - | - | 856,434 | 856,434 |
| Teacher's pension and annuity fund (on-behalf - Non-budgeted) | - | - | - | 2,930,979 | 2,930,979 |
| TPAF social security (reimbursed - Non-budgeted) | - | - | - | 626,486 | 626,486 |
| Total state sources | 1,417,597 | 100,000 | 1,517,597 | 5,954,405 | 4,436,808 |
| **Total revenues** | 17,949,742 | 100,000 | 18,049,742 | 22,585,211 | 4,535,469 |
| **EXPENDITURES:** | | | | | |
| **Current Expenditures:** | | | | | |
| **Regular Programs - Instruction** | | | | | |
| Preschool/Kindergarten - Salaries of teachers | 364,790 | 18,500 | 383,290 | 381,334 | 1,956 |
| Grades 1-5 - Salaries of teachers | 2,932,837 | (72,000) | 2,860,837 | 2,836,335 | 24,502 |
| Grades 6-8 - Salaries of teachers | 1,931,350 | (99,210) | 1,832,140 | 1,799,178 | 32,962 |
| **Regular Programs - Home Instruction:** | | | | | |
| Salaries of teachers | 10,000 | (4,995) | 5,005 | 5,005 | - |
| **Regular Programs - Undistributed Instruction** | | | | | |
| Other salaries for instruction | 60,000 | (7,316) | 52,684 | 48,442 | 4,242 |
| Purchased professional-educational services | 200,000 | 48,855 | 248,855 | 248,855 | - |
| Purchased technical services | 223,205 | (21,651) | 201,554 | 201,554 | - |
| Other purchased services (400-500 series) | 83,300 | 900 | 84,200 | 82,409 | 1,791 |
| General supplies | 354,045 | (45,228) | 308,817 | 252,806 | 56,011 |
| Textbooks | 122,458 | (2,000) | 120,458 | 112,585 | 7,873 |
| Other objects | - | 200 | 200 | 105 | 95 |
| **TOTAL REGULAR PROGRAMS - INSTRUCTION** | 6,281,985 | (183,945) | 6,098,040 | 5,968,608 | 129,432 |
| **SPECIAL EDUCATION - INSTRUCTION** | | | | | |
| **Learning and/or Language Disabilities:** | | | | | |
| Salaries of teachers | 91,668 | 6,018 | 97,686 | 97,686 | - |
| Other salaries for instruction | 115,226 | (65,848) | 49,378 | 49,378 | - |
| General supplies | 1,025 | (1,025) | - | - | - |
| Textbooks | - | - | - | - | - |
| **Total Learning and/or Language Disabilities** | 207,919 | (60,855) | 147,064 | 147,064 | - |

**FAIR HAVEN SCHOOL DISTRICT**
**Budgetary Comparison Schedule**
**General Fund**
**For the Year Ended June 30, 2025**

| | Original Budget | Transfers/ Encumbrances | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| **Resource Room/Resource Center:** | | | | | |
| Salaries of Teachers | $ 1,503,503 | $ 117,988 | $ 1,621,491 | $ 1,621,178 | $ 313 |
| General supplies | 1,740 | (1,056) | 684 | 683 | 1 |
| Textbooks | - | 250 | 250 | 250 | - |
| **Total Resource Room/Resource Center** | 1,505,243 | 117,182 | 1,622,425 | 1,622,111 | 314 |
| **Autism:** | | | | | |
| Salaries of Teachers | 100,968 | (19,700) | 81,268 | 73,534 | 7,734 |
| Other Salaries for Instruction | 147,082 | 145 | 147,227 | 146,413 | 814 |
| Purchased professional-educational services | - | 1,186 | 1,186 | 1,180 | 6 |
| General Supplies | 3,575 | (811) | 2,764 | 2,221 | 543 |
| **Total Autism** | 251,625 | (19,180) | 232,445 | 223,348 | 9,097 |
| **Preschool Disabilities - Part-Time:** | | | | | |
| Salaries of Teachers | 317,240 | 86,421 | 403,661 | 403,661 | - |
| Other Salaries for Instruction | 56,794 | (24,080) | 32,714 | 32,714 | - |
| Purchased Professional-Educational Services | - | 1,300 | 1,300 | 1,300 | - |
| **Total Preschool Disabilities - Part-Time** | 374,034 | 63,641 | 437,675 | 437,675 | - |
| **TOTAL SPECIAL EDUCATION- INSTRUCTION** | 2,338,821 | 100,788 | 2,439,609 | 2,430,198 | 9,411 |
| **School-Spon. Cocurricular Actvts. - Instruction** | | | | | |
| Salaries | 52,500 | 11,655 | 64,155 | 64,155 | - |
| Supplies and Materials | 3,000 | (2,101) | 899 | 899 | - |
| Other Objects | 20,000 | (8,962) | 11,038 | 10,848 | 190 |
| **Total School-Spon. Cocurricular Actvts. - Instruction** | 75,500 | 592 | 76,092 | 75,902 | 190 |
| **School-Spon. Athletics - Instruction** | | | | | |
| Salaries | 19,300 | 31,286 | 50,586 | 50,586 | - |
| Supplies and Materials | 15,000 | (14,108) | 892 | 812 | 80 |
| **Total School-Spon. Cocurricular Actvts. - Instruction** | 34,300 | 17,178 | 51,478 | 51,398 | 80 |
| **Total Instruction** | 8,730,606 | (65,387) | 8,665,219 | 8,526,106 | 139,113 |
| **Undistributed Expenditures - Instruction:** | | | | | |
| Tuition to Private Sch for Disbl w/i State | 88,162 | (10,850) | 77,312 | 77,173 | 139 |
| **Total Undistributed Expenditures - Instruction:** | 88,162 | (10,850) | 77,312 | 77,173 | 139 |
| **Undist. Expend. - Health Services** | | | | | |
| Salaries | 135,386 | (11,122) | 124,264 | 108,853 | 15,411 |
| Purchased professional and technical services | 7,300 | 3,850 | 11,150 | 11,122 | 28 |
| Supplies and materials | 12,334 | 1,600 | 13,934 | 13,813 | 121 |
| **Total Undistributed Expenditures - Health Services** | 155,020 | (5,672) | 149,348 | 133,788 | 15,560 |
| **Undist. Expend. - Other Support Services - Students - Related Service** | | | | | |
| Salaries | 316,122 | (14,388) | 301,734 | 301,466 | 268 |
| Purchased Prof. Ed. Services | 40,000 | (7,225) | 32,775 | 32,767 | 8 |
| Supplies and Materials | 8,225 | (178) | 8,047 | 6,446 | 1,601 |
| **Total Undist. Expend. - Other Support Services - Students - Related Service** | 364,347 | (21,791) | 342,556 | 340,679 | 1,877 |

**FAIR HAVEN SCHOOL DISTRICT**
**Budgetary Comparison Schedule**
**General Fund**
**For the Year Ended June 30, 2025**

| | Original Budget | Transfers/ Encumbrances | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| **Undist. Expend. - Other Support Services - Students - Extraordinary Services** | | | | | |
| Salaries | $ 307,075 | $ 8,783 | $ 315,858 | $ 315,742 | $ 116 |
| Purchased Prof. Ed. Services | - | 5,000 | 5,000 | 5,000 | - |
| **Total Undist. Expend. - Other Support Services Students - Extraordinary Services** | 307,075 | 13,783 | 320,858 | 320,742 | 116 |
| **Undist. Expend. - Guidance** | | | | | |
| Salaries of Other Professional Staff | 292,666 | 9,590 | 302,256 | 302,180 | 76 |
| Other Purchased Services (400-500 series) | 12,300 | (804) | 11,496 | 11,496 | - |
| Supplies and Materials | 5,344 | (5,344) | - | - | - |
| **Total Undist. Expend. - Guidance** | 310,310 | 3,442 | 313,752 | 313,676 | 76 |
| **Undist. Expend. - Child Study** | | | | | |
| Salaries of Other Professional Staff | 345,871 | 25,615 | 371,486 | 362,459 | 9,027 |
| Salaries of Secretarial and Clerical assistants | 54,525 | (650) | 53,875 | 53,831 | 44 |
| Purchased Professional - Educational Services | - | 113,285 | 113,285 | 45,605 | 67,680 |
| Other Purchased Prof. & Tech. Services | 31,900 | 51,952 | 83,852 | 66,384 | 17,468 |
| Other Purchased Services (400-500 series) | 15,600 | (8,710) | 6,890 | 6,265 | 625 |
| Supplies and Materials | 10,132 | (4,690) | 5,442 | 4,941 | 501 |
| Other Objects | 2,200 | (140) | 2,060 | 2,040 | 20 |
| **Total Undist. Expend. - Child Study** | 460,228 | 176,662 | 636,890 | 541,525 | 95,365 |
| **Undist. Expend.-Imprvmt of Instr. Srvcs-Other Support Services-Instr.** | | | | | |
| Salaries Superv. Of Instr. | 136,265 | (329) | 135,936 | 135,936 | - |
| Salaries Other Prof. Staff | 215,505 | 22,933 | 238,438 | 238,362 | 76 |
| Salaries Secr. & Clerical Asst. | 7,400 | (7,400) | - | - | - |
| Other purchased professional and technical services | - | 4,146 | 4,146 | 3,795 | 351 |
| Other Purchased Services (400-500 series) | 46,515 | (25,860) | 20,655 | 19,416 | 1,239 |
| Supplies and Materials | 3,300 | 4,810 | 8,110 | 8,071 | 39 |
| Other objects | 3,159 | (1,000) | 2,159 | 2,140 | 19 |
| **Total Undist. Expend.-Imprvmt of Instr. Srvcs-Other Support Services-Instr.** | 412,144 | (2,700) | 409,444 | 407,720 | 1,724 |
| **Undist. Expend. - Educational Media Services/School Library** | | | | | |
| Salaries | 192,020 | (1,220) | 190,800 | 190,648 | 152 |
| Salaries of Technology Coordinators | 194,210 | (26,524) | 167,686 | 167,686 | - |
| Other Purchased Services (400-500) | 11,320 | (3,400) | 7,920 | 7,873 | 47 |
| Supplies and Materials | 11,518 | (3,016) | 8,502 | 8,024 | 478 |
| **Total Undist. Expend. - Educational Media Services/School Library** | 409,068 | (34,160) | 374,908 | 374,231 | 677 |
| **Undist. Expend. - Support Service - General Administration** | | | | | |
| Salaries | 274,733 | (650) | 274,083 | 273,989 | 94 |
| Legal Services | 50,000 | (2,000) | 48,000 | 44,227 | 3,773 |
| Audit Fees | 12,500 | 5,100 | 17,600 | 17,350 | 250 |
| Communications/Telephone | 34,100 | 20,000 | 54,100 | 25,777 | 28,323 |
| Misc. Purch. Serv.(400-500) | 103,050 | 16,750 | 119,800 | 92,145 | 27,655 |
| General Supplies | 3,000 | 900 | 3,900 | 3,837 | 63 |
| BOE In-house Training/Meeting Supplies | 500 | (400) | 100 | - | 100 |
| Miscellaneous Expenditures | 14,000 | 3,525 | 17,525 | 17,497 | 28 |
| BOE Membership Dues and Fees | 12,500 | (725) | 11,775 | 10,264 | 1,511 |
| **Total Undist. Expend. - Support Service - General Administration** | 504,383 | 42,500 | 546,883 | 485,086 | 61,797 |
| **Undist. Expend. - Support Service - School Administration** | | | | | |
| Salaries of Principals/Assistant principals | 299,393 | 36,565 | 335,958 | 296,652 | 39,306 |
| Salaries of Secretarial and Clerical Assistants | 161,370 | 3,436 | 164,806 | 164,661 | 145 |
| Other Purchased Services (400-500 series) | 9,920 | 3,400 | 13,320 | 8,328 | 4,992 |
| Other Objects | 3,164 | - | 3,164 | 2,670 | 494 |
| **Total Undist. Expend. - Support Service - School Administration** | 473,847 | 43,401 | 517,248 | 472,311 | 44,937 |

Exhibit C-1

FAIR HAVEN SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

| | Original Budget | Transfers/ Encumbrances | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| **Undistributed Expenditures- Central Services** | | | | | |
| Salaries | $ 295,881 | $ - | $ 295,881 | $ 295,742 | $ 139 |
| Purchased Professional Services | 57,000 | 30,000 | 87,000 | 63,097 | 23,903 |
| Misc. Purchased Services | 6,020 | - | 6,020 | 2,262 | 3,758 |
| Supplies and Materials | 2,500 | - | 2,500 | 2,479 | 21 |
| Miscellaneous Expenditures | 2,500 | - | 2,500 | 1,449 | 1,051 |
| **Total Central Services** | 363,901 | 30,000 | 393,901 | 365,029 | 28,872 |
| **Required Maint for School Facilities** | | | | | |
| Salaries | - | - | - | - | - |
| Cleaning, Repair and Maintenance Services | 449,500 | 173,045 | 622,545 | 347,952 | |
| **Total Required Maintenance for School Facilities** | 449,500 | 173,045 | 622,545 | 347,952 | 274,593 |
| **Custodial Services** | | | | | |
| Salaries | 669,057 | (2,329) | 666,728 | 666,470 | 258 |
| Purchased Professional and Technical Services | 28,000 | 2,329 | 30,329 | 23,090 | 7,239 |
| Cleaning, Repair and Maintenance Services | 30,000 | - | 30,000 | 24,890 | 5,110 |
| Other Purchased Property Services | 45,000 | (10) | 44,990 | 43,710 | 1,280 |
| Insurance | 45,850 | - | 45,850 | 43,401 | 2,449 |
| Miscellaneous Purchased Services | 22,000 | (19,000) | 3,000 | 1,738 | 1,262 |
| General Supplies | 103,500 | (30,695) | 72,805 | 72,163 | 642 |
| Energy (Natural Gas) | 80,000 | (80,000) | - | - | - |
| Energy ( Electricity) | 178,500 | 132,293 | 310,793 | 310,727 | 66 |
| Other objects | 1,000 | 246 | 1,246 | 1,246 | - |
| **Total Custodial services** | 1,202,907 | 2,834 | 1,205,741 | 1,187,435 | 18,306 |
| **Security** | | | | | |
| Salaries | - | - | - | - | - |
| Purchased Professional and Technical Services | - | 1,300 | 1,300 | 1,241 | 59 |
| Cleaning, Repair and Maintenance Services | 117,375 | - | 117,375 | 110,219 | 7,156 |
| General Supplies | 26,400 | (6,000) | 20,400 | 7,043 | 13,357 |
| **Total Security** | 143,775 | (4,700) | 139,075 | 118,503 | 20,572 |
| **Total Oper. And Maintenance of Plant Services** | 1,796,182 | 171,179 | 1,967,361 | 1,653,890 | 313,471 |
| **Student Transportation Services** | | | | | |
| Contr Serv (Oth.than Bet Home & Sch) - Vend | 1,900 | 7,610 | 9,510 | 7,609 | 1,901 |
| Contract Serv. (Sp Ed Stds) - Joint Agrmnts | 196,000 | (26,350) | 169,650 | 169,650 | - |
| **Total Student Transportation Services** | 197,900 | (18,740) | 179,160 | 177,259 | 1,901 |

Exhibit C-1

**FAIR HAVEN SCHOOL DISTRICT**
**Budgetary Comparison Schedule**
**General Fund**
**For the Year Ended June 30, 2025**

| | Original Budget | Transfers/ Encumbrances | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| **Personal Services- Employee Benefits** | | | | | |
| Group insurance | $ - | $ - | $ - | $ - | $ - |
| Social Security Contributions | 245,000 | (14,735) | 230,265 | 228,031 | 2,234 |
| Other Retirement Contributions-PERS | 299,000 | (7,279) | 291,721 | 291,721 | - |
| Unemployment Compensation | 5,000 | (5,000) | - | - | - |
| Workmen's Compensation | 141,937 | (2,389) | 139,548 | 139,548 | - |
| Health Benefits | 3,786,868 | 26,033 | 3,812,901 | 3,684,664 | 128,237 |
| **Total Personal Services-Employee Benefits** | 4,477,805 | (3,370) | 4,474,435 | 4,343,964 | 130,471 |
| **ON-BEHALF CONTRIBUTIONS** | | | | | |
| On-behalf TPAF LTDI (non-budgeted) | - | - | - | 1,337 | (1,337) |
| On-behalf TPAF OPEB (post retirement med) (non-budgeted) | - | - | - | 856,434 | (856,434) |
| On-behalf TPAF Pension Contributions (non-budgeted) | - | - | - | 2,930,979 | (2,930,979) |
| Reimbursed TPAF Social Security Contributions (non-budgeted) | - | - | - | 626,486 | (626,486) |
| **TOTAL ON-BEHALF CONTRIBUTIONS** | - | - | - | 4,415,236 | (4,415,236) |
| **TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS** | 4,477,805 | (3,370) | 4,474,435 | 8,759,200 | (4,284,765) |
| **TOTAL UNDISTRIBUTED EXPENDITURES** | 10,320,372 | 383,684 | 10,704,056 | 14,422,309 | (3,718,253) |
| **TOTAL GENERAL CURRENT EXPENDITURES** | 19,050,978 | 318,297 | 19,369,275 | 22,948,415 | (3,579,140) |
| **CAPITAL OUTLAY** | | | | | |
| Interest Earned on Maintenance Reserve | 3,500 | (3,500) | - | - | - |
| Interest Earned on Current Expense Emergency Res | 5 | (5) | - | - | - |
| Interest Deposit to Capital Reserve | 3,500 | (3,500) | - | - | - |
| **Equipment** | | | | | |
| **Regular Programs - Instruction:** | | | | | |
| Grades 1-5 | - | - | - | - | - |
| Grades 6-8 | - | - | - | - | - |
| Grades 9-12 | - | - | - | - | - |
| **Special Education- Instruction:** | | | | | |
| Preschool handicapped - Part-time | - | - | - | - | |
| Basic skills/Remedial - Instruction | - | - | - | - | - |
| Bilingual education - Instruction | - | - | - | - | - |
| School - Sponsored and Other Instructional Program | - | - | - | - | - |
| Undistributed expenditures - Instruction | - | - | - | - | - |
| **General Administration** | | | | | - |
| Undist. Expend.-Support Serv.-Child Study Teams | - | - | - | - | - |
| **Undist.Exp.-Req. Maint. Schl Facilities** | | | | | - |
| Support Services-students- Regular | - | - | - | - | - |
| Support Services-students- Special Education | - | - | - | - | - |
| Support Services-instruction-staff | - | - | - | - | - |
| General Administration | - | - | - | - | - |
| Central Service | - | - | - | - | - |
| Undist. Exp.-Req. Maint. Schl Facilities | - | - | - | - | - |
| Undist. Exp.-Care and Upkeep of Grounds | - | - | - | - | - |
| Undist. Exp.-Student Trans. - Security | - | - | - | - | - |
| **Undistributed exp.-Non-instructional services** | | | | | |
| Non-instructional Equip. | - | - | - | - | - |
| School Buses -Regular | - | - | - | - | - |
| Undistributed expenditures - Student transportation | | | | | |
| Undistributed expenditures - Business/Other support services | | | | | - |
| **Total Equipment** | - | - | - | - | - |

Exhibit C-1

FAIR HAVEN SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

| | Original Budget | Transfers/ Encumbrances | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| **Facilities Acquisition and Construction Services** | | | | | |
| Legal Services | $ - | $ - | $ - | $ - | $ - |
| Architectural/Engineering Services | - | - | - | - | - |
| Construction Services | - | - | - | - | - |
| Assessment for Debt Service on SDA Funding | 16,759 | - | 16,759 | 16,759 | - |
| Other Objects | - | - | | - | - |
| Supplies & Materials | - | - | - | - | - |
| Infrastructure | - | - | - | - | - |
| Capital Outlay transfer to Capital Projects | - | - | - | - | - |
| Interest Deposit to Capital Reserve | - | - | - | - | - |
| **Total** | 16,759 | - | 16,759 | 16,759 | - |
| **TOTAL CAPITAL OUTLAY** | 23,764 | (7,005) | 16,759 | 16,759 | - |
| **TOTAL EXPENDITURES** | 19,074,742 | 311,292 | 19,386,034 | 22,965,174 | (3,579,140) |
| **Excess (Deficiency) of Revenues Over (Under) Expenditures** | (1,125,000) | (211,292) | (1,336,292) | (379,963) | 956,329 |
| **Other Financing Sources:** | | | | | |
| **Transfer from Capital Projects** | - | - | - | 281,118 | 281,118 |
| **Total Other Financing Sources:** | - | - | - | 281,118 | 281,118 |
| **Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)** | (1,125,000) | (211,292) | (1,336,292) | (98,845) | 1,237,447 |
| | | | | | - |
| **Fund Balance, July 1** | 2,761,978 | - | 2,761,978 | 2,761,978 | - |
| **Fund Balance, June 30** | $ 1,636,978 | $ (211,292) | $ 1,425,686 | $ 2,663,133 | $ 956,329 |
| **Recapitulation:** | | | | | |
| **Restricted Fund Balance:** | | | | | |
| Capital reserve | | | | 1,330,818 | |
| Maintenance reserve | | | | 428,338 | |
| Emergency Reserve | | | | 2,506 | |
| Tuition Reserve | | | | - | |
| Excess surplus - current year | | | | - | |
| Excess surplus-designated for subsequent year's expenditures | | | | - | |
| Unemployment compensation | | | | 96,715 | |
| **Assigned Fund Balance:** | | | | | |
| Year-end encumbrances | | | | 12,938 | |
| Designated for subsequent year's expenditures | | | | 750,000 | |
| **Unassigned** | | | | 41,818 | |
| **Reconciliation to governmental funds statements (GAAP)** | | | | | |
| Fund balance per governmental funds (Budgetary) | | | | 2,663,133 | |
| Last state aid payment not recognized on GAAP basis | | | | (121,583) | |
| Fund balance per governmental funds (GAAP) - B-1 | | | | $ 2,541,550 | |

Exhibit C-2

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

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual | |
|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | |
| Local sources | $ - | $ 164,930 | $ 164,930 | $ 209,718 | $ 44,788 | |
| State sources | 5,000 | 3,703 | 8,703 | 8,703 | - | |
| Federal sources | 252,321 | (82,550) | 169,771 | 291,701 | 121,930 | |
| **Total Revenues** | 257,321 | 86,083 | 343,404 | 510,122 | 166,718 | |
| **EXPENDITURES** | | | | | | |
| **Instruction:** | | | | | | |
| Personal services-salaries | - | 6,554 | 6,554 | 6,554 | - | |
| Purchased professional and technical services | - | 6,700 | 6,700 | 6,700 | - | |
| General supplies | 10,246 | 9,840 | 20,086 | 20,086 | - | |
| Tuition | 238,000 | (280) | 237,720 | 237,720 | - | |
| Other objects | - | - | - | - | - | |
| **Total instruction** | 248,246 | 22,814 | 271,060 | 271,060 | - | |
| **Support services:** | | | | | | |
| Personal services - salaries | - | 282 | 282 | 282 | - | |
| Purchased professional and technical services | 9,075 | (5,075) | 4,000 | 4,000 | - | |
| Other purchased services | - | - | - | - | - | |
| Employee benefits | - | 524 | 524 | 524 | - | |
| Travel | - | - | - | - | - | |
| Supplies- materials | - | 5,706 | 5,706 | 5,706 | - | |
| Other objects | - | 61,832 | 61,832 | 61,832 | - | |
| Scholarships Awarded | - | - | - | 928 | (928) | Note 1 |
| Student Activities | - | - | - | 105,833 | (105,833) | Note 1 |
| **Total support services** | 9,075 | 63,269 | 72,344 | 179,105 | (106,761) | |
| **EXPENDITURES:** | | | | | | |
| **Facilities acquisition and const. serv.:** | | | | | | |
| Instructional equipment | - | - | - | - | - | |
| Non - Instructional equipment | - | - | - | - | - | |
| **Total facilities acquisition and const. serv.** | - | - | - | - | - | |
| **Total expenditures** | 257,321 | 86,083 | 343,404 | 450,165 | (106,761) | |
| **Total outflows** | 257,321 | 86,083 | 343,404 | 450,165 | (106,761) | |
| **Excess (deficiency) of revenues Over (under) expenditures** | $ - | $ - | $ - | $ 59,957 | $ 59,957 | |
| **Fund Balance, July 1** | | | | 67,617 | | |
| **Fund Balance, June 30** | | | | $ 127,574 | | |
| **Recapitulation:** | | | | | | |
| **Restricted:** | | | | | | |
| Scholarships | | | | $ 63,100 | | |
| Student Activities | | | | 64,474 | | |
| **Total Fund Balance** | | | | $ 127,574 | | |

Note 1 - Not required to budget for these funds.

FAIR HAVEN SCHOOL DISTRICT
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to Required SupplementaryInformation
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]** | $ 22,866,329 | **[C-2]** | $ 510,122 |
| Difference - budget to GAAP: | | | | |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. | | - | | 176,785 |
| TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements. | | (2,930,979) | | |
| State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year. | | (121,583) | | - |
| State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes. | | 108,277 | | - |
| Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. | **[B-2]** | $ 19,922,044 | **[B-2]** | $ 686,907 |
| **Uses/outflows of resources** | | | | |
| Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule | **[C-1]** | $ 22,965,174 | **[C-2]** | $ 450,165 |
| Differences - budget to GAAP: | | | | |
| TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements. | | (2,930,979) | | |
| 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. | | - | | 176,785 |
| **Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds** | **[B-2]** | $ 20,034,195 | **[B-2]** | $ 626,950 |

REQUIRED SUPPLEMENTARY INFORMATION - PART III

Exhibit L-1

**FAIR HAVEN 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***

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| District's proportion of the net pension liability | 0.0172800000% | 0.0181400000% | 0.0210600000% | 0.0215300000% | 0.0232600000% | 0.0208900000% | 0.0221100000% | 0.0224500000% | 0.0224300000% | 0.0211210903% |
| District's proportionate share of the net pension liability | $ 3,878,997 | $ 5,373,075 | $ 4,902,773 | $ 4,239,091 | $ 4,219,417 | $ 3,432,744 | $ 2,647,435 | $ 3,417,079 | $ 3,275,959 | $ 2,869,943 |
| District's covered-employee payroll | $ 1,170,827 | $ 1,287,294 | $ 1,397,135 | $ 1,488,718 | $ 1,618,181 | $ 1,458,144 | $ 1,613,913 | $ 1,620,060 | $ 1,694,022 | $ 1,635,514 |
| District's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 331.30% | 417.39% | 350.92% | 284.75% | 260.75% | 235.42% | 164.04% | 210.92% | 193.38% | 175.48% |
| Plan fiduciary net position as a percentage of the total pension liability | 0.00% | 0.00% | 0.00% | 0.00% | 56.27% | 0.00% | 0.00% | 0.00% | 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.

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

**Last 10 Fiscal Years***

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually required contributions | $ 150,251 | $ 149,567 | $ 166,467 | $ 237,741 | $ 223,200 | $ 238,875 | $ 232,088 | $ 263,328 | $ 289,768 | $ 287,570 |
| Contributions in relation to the contractually required contribution | 150,251 | 149,567 | 166,467 | 237,741 | 223,200 | 238,875 | 232,088 | 263,328 | 289,768 | 291,721 |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ (4,151) |
| District's covered-employee payroll | $ 1,287,294 | $ 1,397,135 | $ 1,488,718 | $ 1,618,181 | $ 1,458,144 | $ 1,613,913 | $ 1,620,060 | $ 1,694,022 | $ 1,635,514 | $ 1,623,493 |
| Contributions as a percentage of covered-employee payroll | 11.67% | 10.71% | 11.18% | 14.69% | 15.31% | 14.80% | 14.33% | 15.54% | 17.72% | 17.71% |

* 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.

**FAIR HAVEN 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***

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| State's proportion of the net pension liability associated with the District | 0.0000000000% | 0.0000000000% | 0.0000000000% | 0.0000000000% | 0.0000000000% | 0.0000000000% | 0.0000000000% | 0.0000000000% | 0.0714400000% | 0.0704525849% |
| State's proportionate share of the net pension liability associated with the District | $ 39,153,716 | $ 45,292,859 | $ 39,244,435 | $ 39,884,692 | $ 40,102,293 | $ 43,939,582 | $ 31,683,803 | $ 34,361,383 | $ 36,510,664 | $ 34,821,265 |
| District's covered-employee payroll | $ 5,749,823 | $ 6,175,104 | $ 6,642,382 | $ 7,050,579 | $ 7,126,462 | $ 7,516,767 | $ 7,915,919 | $ 8,212,073 | $ 8,265,880 | $ 8,758,029 |
| Proportionate share of the net pension liability as a percentage of District's covered-employee payroll | 680.96% | 733.48% | 590.82% | 565.69% | 562.72% | 584.55% | 400.25% | 418.43% | 441.70% | 3.975924834 |
| Plan fiduciary net position as a percentage of the total pension liability | 28.71% | 22.33% | 25.41% | 26.49% | 26.95% | 24.60% | 32.52% | 32.29% | 34.68% | 37.99% |

The District has a special funding situation and 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.

**FAIR HAVEN 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***

| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|
| State's proportion of the OPEB liability associated with the District | | | | | | | | |
| Service cost | $ 1,610,946 | $ 1,336,105 | $ 1,251,895 | $ 1,340,078 | $ 2,403,246 | $ 2,083,017 | $ 1,636,656 | $ 1,643,414 |
| Interest cost | 1,005,512 | 1,170,283 | 1,152,418 | 944,384 | 993,920 | 858,067 | 1,188,842 | 1,283,048 |
| Changes in benefit terms | - | - | - | - | (40,781) | - | - | - |
| Differences between expected and actual experiences | - | (1,255,820) | (4,925,492) | 7,562,564 | (7,295,345) | 631,403 | (619,891) | 325,448 |
| Changes in assumptions | (4,207,056) | (3,317,559) | 387,691 | 7,849,731 | 37,800 | (8,685,830) | 68,038 | 2,916,038 |
| Member contributions | 27,056 | 26,718 | 23,660 | 22,676 | 25,410 | 27,267 | 30,466 | 33,552 |
| Gross benefit payments | (734,778) | (773,041) | (798,181) | (748,128) | (782,930) | (849,940) | (926,722) | (979,884) |
| Net change in total OPEB liability | (2,298,320) | (2,813,314) | (2,908,009) | 16,971,305 | (4,658,680) | (5,936,016) | 1,377,389 | 5,221,616 |
| Total State's OPEB liability - beginning | 34,021,559 | 31,723,239 | 28,909,925 | 26,001,916 | 42,973,221 | 38,314,541 | 32,378,525 | 33,755,914 |
| Total State's OPEB liability - ending | $ 31,723,239 | $ 28,909,925 | $ 26,001,916 | $ 42,973,221 | $ 38,314,541 | $ 32,378,525 | $ 33,755,914 | $ 38,977,530 |
| District's covered employee payroll | $ 8,131,100 | $ 8,668,760 | $ 8,584,606 | $ 9,130,680 | $ 9,631,563 | $ 9,906,095 | $ 9,901,394 | $ 11,855,907 |
| Total State's OPEB liability as a percentage of covered employee payroll | 390% | 333% | 303% | 471% | 398% | 327% | 341% | 329% |

* 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.

Fair Haven Board of Education

Notes to the 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 June 30, 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 June 30, 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 3.54% as of June 30, 2023, to 3.54% as of June 30, 2024.

# OTHER SUPPLEMENTARY INFORMATION

D. School Based Budget Schedules

Not Applicable

E. Special Revenue Fund

Exhibit E-1

FAIR HAVEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

| | IDEA-Part B-Basic Reg Prog 24/25 | IDEA-Part B Preschool 24/25 | Title IV 24/25 | Title II Part A 24/25 |
|---|---|---|---|---|
| **Revenues:** | | | | |
| Local sources | $ - | $ - | $ - | $ - |
| State sources | - | - | - | - |
| Federal sources | 219,720 | 8,457 | 10,602 | 9,900 |
| **Total revenues** | 219,720 | 8,457 | 10,602 | 9,900 |
| **Expenditures:** | | | | |
| Instruction: | | | | |
| Salaries of teachers | | - | 6,334 | - |
| Purchased services | - | - | - | - |
| General supplies | - | 8,457 | 3,766 | - |
| Tuition | 219,720 | - | - | - |
| Other Objects | - | - | - | - |
| **Total instruction** | 219,720 | 8,457 | 10,100 | - |
| **Support services:** | | | | |
| Other support services - students - special: | | | | |
| Salaries of other professional staff | - | - | - | 282 |
| Prof. and tech. services | - | - | - | 4,000 |
| Other purchased services | - | - | - | - |
| Employee benefits | - | - | 502 | 22 |
| Travel | - | - | - | - |
| Supplies and materials | - | - | - | 5,596 |
| Other objects | - | - | - | - |
| Scholarships Awarded | - | - | - | - |
| Student Activities | - | - | - | - |
| **Total other support services - students - special** | - | - | 502 | 9,900 |
| **Total support services** | - | - | 502 | 9,900 |
| **Equipment:** | | | | |
| Regular programs instruction | - | - | - | - |
| Non-instructional equipment | - | - | - | - |
| **Total equipment** | - | - | - | - |
| **Total expenditures** | $ 219,720 | $ 8,457 | $ 10,602 | $ 9,900 |
| **Excess (deficiency) of revenues Over (under) expenditures** | - | - | - | - |
| **Fund Balance, July 1** | - | - | - | - |
| **Fund Balance, June 30** | $ - | $ - | $ - | $ - |

Exhibit E-1

FAIR HAVEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

| | Scholarship 24/25 | Nonpublic Textbooks 24/25 | Nonpublic Nursing 24/25 | Nonpublic Technology 24/25 | Nonpublic Security 24/25 |
|---|---|---|---|---|---|
| **Revenues:** | | | | | |
| Local sources | $ 6 | $ - | $ - | $ - | $ - |
| State sources | - | 1,023 | 2,600 | 980 | 4,100 |
| Federal sources | - | - | - | - | - |
| **Total revenues** | 6 | 1,023 | 2,600 | 980 | 4,100 |
| **Expenditures:** | | | | | |
| Instruction: | | | | | |
| Salaries of teachers | - | - | - | - | - |
| Purchased services | - | - | 2,600 | - | 4,100 |
| General supplies | - | 1,023 | - | 980 | - |
| Tuition | - | - | - | - | - |
| Other Objects | - | - | - | - | - |
| **Total instruction** | - | 1,023 | 2,600 | 980 | 4,100 |
| **Support services:** | | | | | |
| Other support services - students - special: | | | | | |
| Salaries of other professional staff | - | - | - | - | - |
| Prof. and tech. services | - | - | - | - | - |
| Other purchased services | - | - | - | - | - |
| Employee benefits | - | - | - | - | - |
| Travel | - | - | - | - | - |
| Supplies and materials | - | - | - | - | - |
| Other objects | - | - | - | - | - |
| Scholarships awarded | 928 | - | - | - | - |
| Student activities | - | - | - | - | - |
| **Total other support services - students - special** | 928 | - | - | - | - |
| **Total support services** | 928 | - | - | - | - |
| **Equipment:** | | | | | |
| Regular programs instruction | - | - | - | - | - |
| Non-instructional equipment | - | - | - | - | - |
| **Total equipment** | - | - | - | - | - |
| **Total expenditures** | $ 928 | $ 1,023 | $ 2,600 | $ 980 | $ 4,100 |
| **Excess (deficiency) of revenues Over (under) expenditures** | (922) | - | - | - | - |
| **Fund Balance, July 1** | 64,022 | - | - | - | - |
| **Fund Balance, June 30** | $ 63,100 | $ - | $ - | $ - | $ - |

Exhibit E-1

FAIR HAVEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

| | ARP Summer Learning & Enrichment 24/25 | ARP Mental Health 24/25 |
|---|---|---|
| **Revenues:** | | |
| Local sources | $ - | $ - |
| State sources | - | - |
| Federal sources | 5,447 | 9,575 |
| **Total revenues** | 5,447 | 9,575 |
| **Expenditures:** | | |
| Instruction: | | |
| Salaries of teachers | - | - |
| Purchased services | - | - |
| General supplies | - | - |
| Tuition | - | - |
| Other Objects | - | - |
| **Total instruction** | - | - |
| **Support services:** | | |
| Other support services - students - special: | | |
| Salaries of other professional staff | - | - |
| Prof. and tech. services | - | - |
| Other purchased services | - | - |
| Employee benefits | - | - |
| Travel | - | - |
| Supplies and materials | - | - |
| Other objects | 5,447 | 9,575 |
| Scholarships awarded | - | - |
| Student activities | - | - |
| **Total other support services - students - special** | 5,447 | 9,575 |
| **Total support services** | 5,447 | 9,575 |
| **Equipment:** | | |
| Regular programs instruction | - | - |
| Non-instructional equipment | - | - |
| **Total equipment** | - | - |
| **Total expenditures** | $ 5,447 | $ 9,575 |
| **Excess (deficiency) of revenues Over (under) expenditures** | - | - |
| **Fund Balance, July 1** | - | - |
| **Fund Balance, June 30** | $ - | $ - |

* Represents scholarship fund net position as of June 30, 2021
**Represents the student actiity fund ending balance as of June 30, 2021 for payable to student gr

Exhibit E-1

FAIR HAVEN SCHOOL DISTRICT
Special Revenue Fund
Combining Schedules of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2025

(Continued from prior page)

| | Student Activity 24/25 | ARP Learning Acceleration 24/25 | Other | Total 2025 |
|---|---|---|---|---|
| **Revenues:** | | | | |
| Local sources | $ 166,712 | $ - | $ 43,000 | $ 209,718 |
| State sources | - | - | - | 8,703 |
| Federal sources | - | 28,000 | - | 291,701 |
| **Total revenues** | 166,712 | 28,000 | 43,000 | 510,122 |
| **Expenditures:** | | | | |
| Instruction: | | | | |
| Salaries of teachers | - | 220 | - | 6,554 |
| Purchased services | - | - | - | 6,700 |
| Other purchased services | - | - | - | - |
| General supplies | - | 5,860 | - | 20,086 |
| Tuition | - | 18,000 | - | 237,720 |
| Other objects | - | - | - | - |
| **Total instruction** | - | 24,080 | - | 271,060 |
| **Support services:** | | | | |
| Other support services - students - special: | | | | |
| Salaries of other professional staff | - | - | - | 282 |
| Prof. and tech. services | - | - | - | 4,000 |
| Other purchased services | - | - | - | - |
| Employee benefits | - | - | - | 524 |
| Travel | - | - | - | - |
| Supplies and materials | - | 110 | - | 5,706 |
| Other objects | - | 3,810 | 43,000 | 61,832 |
| Scholarships Awarded | - | - | - | 928 |
| Student Activities | 105,833 | - | - | 105,833 |
| **Total other support services - students - special** | 105,833 | 3,920 | 43,000 | 179,105 |
| **Total support services** | 105,833 | 3,920 | 43,000 | 179,105 |
| **Equipment:** | | | | |
| Instruction equipment | - | - | - | - |
| Non-instructional equipment | - | - | - | - |
| **Total equipment** | - | - | - | - |
| **Total expenditures** | $ 105,833 | $ 28,000 | $ 43,000 | $ 450,165 |
| **Excess (deficiency) of revenues Over (under) expenditures** | 60,879 | - | - | 59,957 |
| **Fund Balance, July 1** | 3,595 | - | - | 67,617 |
| **Fund Balance, June 30** | $ 64,474 | $ - | $ - | $ 127,574 |

F. Capital Projects Fund

FAIR HAVEN SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Year Ended June 30, 2025

| Project Title/Issue | Approval Date | Revised Budgetary Appropriations | GAAP Expenditures to Date Prior Years | GAAP Expenditures to Date Current Year | Unexpended Appropriations June 30, 2025 |
|---|---|---|---|---|---|
| Viola Sickles School District Wide Telephone System | 6/11/2015 | 27,143 | 17,448 | 9,695 | - |
| Knollwood Elementary/Middle School Phone System Replacement | 6/11/2015 | 56,305 | 28,468 | 27,837 | - |
| Knollwood Elementary - Partial Roof Replacement | 1/6/2014 | 814,191 | 814,191 | - | - |
| Viola Sickles School/Knollwood Middle School - Additions and Alterations | 9/24/2019 | 15,647,000 | 14,415,115 | 714,864 | 517,021 |
| Totals | | $ 16,544,639 | $ 15,275,222 | $ 752,396 | $ 517,021 |

Exhibit F-2

# FAIR HAVEN SCHOOL DISTRICT
## Capital Projects Fund
## Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis
## For the Year Ended June 30, 2025

| | | |
|---|---|---|
| **Revenues and Other Financing Sources** | | |
| State Sources - Grants | $ | (193,875) |
| Bond proceeds and transfers | | - |
| Contribution from private source | | - |
| Transfer from capital reserve | | - |
| Transfer from capital outlay | | - |
| Total revenues | | (193,875) |
| **Expenditures and Other Financing Uses** | | |
| Purchased professional and technical services | | 39,452 |
| Land and improvements | | - |
| Construction services | | 712,944 |
| Other objects | | - |
| Equipment purchases | | - |
| Transfer to capital reserve | | 281,118 |
| Total expenditures | | 1,033,514 |
| Excess of revenues over expenditures | | (1,227,389) |
| Fund balance - beginning | | 1,744,410 |
| Fund balance - ending | $ | 517,021 |

Exhibit F-2a

FAIR HAVEN SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status-Budgetary Basis
Viola Sickles School District Wide Telephone System
For the Year Ended June 30, 2025

| | Prior Periods | Current Year | Totals | Revised Authorized Cost |
|---|---|---|---|---|
| **Revenues and Other Financing Sources** | | | | |
| State Sources - SDA Grant | $ 13,442 | $ (6,463) | $ 6,979 | $ 6,979 |
| Bond proceeds and transfers | - | - | - | - |
| Contribution from private sources | - | - | - | - |
| Transfer from capital reserve | - | - | - | - |
| Transfer from capital outlay | 20,164 | - | 20,164 | 20,164 |
| Total revenues | 33,606 | (6,463) | 27,143 | 27,143 |
| **Expenditures and Other Financing Uses** | | | | |
| Purchased prof. and tech. services | 17,448 | 9,695 | 27,143 | 27,143 |
| Land and improvements | - | - | - | - |
| Construction services | - | - | - | - |
| Equipment purchases | - | - | - | - |
| Total expenditures | 17,448 | 9,695 | 27,143 | 27,143 |
| Excess (deficiency) or revenues over (under) expenditures | $ 16,158 | $ (16,158) | $ - | $ - |

| | |
|---|---|
| Additional project information: | |
| Project Number | 1440-060-14-1005 |
| Grant Date | 6/11/2015 |
| Bond Authorization Date | |
| Bonds Authorized | |
| Bonds Issued | |
| Original Authorized Cost | 33,606 |
| Additional Authorized Cost | (6,463) |
| Revised Authorized Cost | 27,143 |
| Percentage Increase over Original Authorized Cost | - |
| Percentage Completion | 100.00% |
| Original target completion date | 6/30/2016 |
| Revised target completion date | 6/30/2016 |

Exhibit F-2b

FAIR HAVEN SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status-Budgetary Basis
Knollwood Elementary/Middle School Phone System Replacement
For the Year Ended June 30, 2025

| | Prior Periods | Current Year | Totals | Revised Authorized Cost |
|---|---|---|---|---|
| **Revenues and Other Financing Sources** | | | | |
| State Sources - SDA Grant | $ 11,564 | $ - | $ 11,564 | $ 11,564 |
| Bond proceeds and transfers | - | - | - | - |
| Contribution from private sources | - | - | - | - |
| Transfer from capital reserve | - | - | - | - |
| Transfer from capital outlay | 44,741 | - | 44,741 | 44,741 |
| Total revenues | 56,305 | - | 56,305 | 56,305 |
| **Expenditures and Other Financing Uses** | | | | |
| Purchased prof. and tech. services | 28,468 | 27,837 | 56,305 | 56,305 |
| Land and improvements | - | - | - | - |
| Construction services | - | - | - | - |
| Equipment purchases | - | - | - | - |
| Total expenditures | 28,468 | 27,837 | 56,305 | 56,305 |
| Excess (deficiency) or revenues over (under) expenditures | $ 27,837 | $ (27,837) | $ - | $ - |

Exhibit F-2c

FAIR HAVEN SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status-Budgetary Basis
Knollwood Elementary School - Partial Roof Replacement
For the Year Ended June 30, 2025

| | Prior Periods | Current Year | Totals | Revised Authorized Cost |
|---|---|---|---|---|
| **Revenues and Other Financing Sources** | | | | |
| State Sources - ROD Grant | $ 513,088 | $ (187,412) | $ 325,676 | $ 325,676 |
| Bond proceeds and transfers | - | - | - | - |
| Contribution from private sources | - | - | - | - |
| Transfer from capital reserve | 601,307 | (281,118) | 320,189 | 320,189 |
| Transfer from capital outlay | 168,326 | - | 168,326 | 168,326 |
| Total revenues | 1,282,721 | (468,530) | 814,191 | 814,191 |
| **Expenditures and Other Financing Uses** | | | | |
| Purchased prof. and tech. services | - | - | - | - |
| Land and improvements | - | - | - | - |
| Construction services | 814,191 | - | 814,191 | 814,191 |
| Equipment purchases | - | - | - | - |
| Total expenditures | 814,191 | - | 814,191 | 814,191 |
| Excess (deficiency) or revenues over (under) expenditures | $ 468,530 | $ (468,530) | $ - | $ - |

| Additional project information: | |
|---|---|
| Project Number | 1440-050-14-1003-G04 |
| Grant Date | 1/6/2014 |
| Bond Authorization Date | |
| Bonds Authorized | |
| Bonds Issued | |
| Original Authorized Cost | 1,282,721 |
| Additional Authorized Cost | (468,530) |
| Revised Authorized Cost | 814,191 |
| Percentage Increase over Original Authorized Cost | - |
| Percentage Completion | 100.00% |
| Original target completion date | 9/1/2016 |
| Revised target completion date | 9/1/2017 |

Exhibit F-2d

FAIR HAVEN SCHOOL DISTRICT
Capital Projects Fund
Schedule of Project Revenues, Expenditures, Project Balance and Project Status-Budgetary Basis
Viola Sickles School and Knollwood Middle School - Additions and Alterations
For the Year Ended June 30, 2025

| | Prior Periods | Current Year | Totals | Revised Authorized Cost |
|---|---|---|---|---|
| **Revenues and Other Financing Sources** | | | | |
| State Sources - SDA Grant | $ - | $ - | $ - | $ - |
| Bond proceeds and transfers | 15,647,000 | - | 15,647,000 | 15,647,000 |
| Contribution from private sources | - | - | - | - |
| Transfer from capital reserve | - | - | - | - |
| Transfer from capital outlay | - | - | - | - |
| Total revenues | 15,647,000 | - | 15,647,000 | 15,647,000 |
| **Expenditures and Other Financing Uses** | | | | |
| Purchased prof. and tech. services | 1,118,497 | 1,920 | 1,120,417 | 1,321,832 |
| General supplies | 4,906 | - | 4,906 | 5,000 |
| Construction services | 13,291,712 | 712,944 | 14,004,656 | 14,320,168 |
| Equipment purchases | - | - | - | - |
| Total expenditures | 14,415,115 | 714,864 | 15,129,979 | 15,647,000 |
| Excess (deficiency) or revenues over (under) expenditures | $ 1,231,885 | $ (714,864) | $ 517,021 | $ - |

| | |
|---|---|
| Additional project information: | |
| Project Number | 19K069 |
| Grant Date | N/A |
| Bond Authorization Date | 9/24/2019 |
| Bonds Authorized | 10/30/2019 |
| Bonds Issued | 15,647,000 |
| Original Authorized Cost | - |
| Additional Authorized Cost | 15,647,000 |
| Revised Authorized Cost | 15,647,000 |
| Percentage Increase over Original Authorized Cost | - |
| Percentage Completion | 96.70% |
| Original target completion date | 8/23/2021 |
| Revised target completion date | 8/23/2023 |

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

## H. Fiduciary Funds

Not Applicable

# I. Long-Term Debt

Exhibit I-1

FAIR HAVEN SCHOOL DISTRICT
Long-Term Debt
Schedule of Serial Bonds
June 30, 2025

| Issue | Date of Issue | Amount Of Issue | Annual Maturities Date | Annual Maturities Amount | Interest Rate | Balance July 1, 2024 | Issued | Retired | Refinanced | Balance June 30, 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| 2013 Refunding Bonds | 1/23/2013 | 6,075,000 | | | | | | | | |
| | | | 6/1/2026 | 425,000 | | $ 2,495,000 | $ - | $ (430,000) | $ - | $ 2,065,000 |
| | | | 6/1/2027 | 420,000 | 2.250% | | | | | |
| | | | 6/1/2028 | 415,000 | 2.400% | | | | | |
| | | | 6/1/2029 | 405,000 | 2.500% | | | | | |
| | | | 6/1/2030 | 400,000 | 3.000% | | | | | |
| 2019 Bonds | 12/19/2019 | 15,647,000 | | | | 13,990,000 | - | (550,000) | - | 13,440,000 |
| | | | 8/152025 | 550,000 | | | | | | |
| | | | 8/15/2026 | 550,000 | 2.500% | | | | | |
| | | | 8/15/2027 | 575,000 | | | | | | |
| | | | 8/15/2028 | 615,000 | | | | | | |
| | | | 8/15/2029 | 650,000 | | | | | | |
| | | | 8/15/2030 | 1,100,000 | | | | | | |
| | | | 8/15/2031 | 1,100,000 | | | | | | |
| | | | 8/15/2032 | 1,100,000 | | | | | | |
| | | | 8/15/2033 | 1,100,000 | | | | | | |
| | | | 8/15/2034 | 1,100,000 | | | | | | |
| | | | 8/15/2035 | 1,000,000 | | | | | | |
| | | | 8/15/2036 | 1,000,000 | | | | | | |
| | | | 8/15/2037 | 1,000,000 | | | | | | |
| | | | 8/15/2038 | 1,000,000 | | | | | | |
| | | | 8/15/2039 | 1,000,000 | | | | | | |
| | | | | | | $ 16,485,000 | $ - | $ (980,000) | $ - | $ 15,505,000 |

FAIR HAVEN SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
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 | $ 1,238,290 | $ - | $ 1,238,290 | $ 1,238,290 | $ - |
| Miscellaneous | - | - | - | - | - |
| State Sources: | | | | | |
| Debt Service Aid Type II | 152,778 | - | 152,778 | 152,778 | - |
| Debt Service Aid Type I | - | - | - | - | - |
| Total - State Sources | 152,778 | - | 152,778 | 152,778 | - |
| **Total Revenues** | 1,391,068 | - | 1,391,068 | 1,391,068 | - |
| **EXPENDITURES:** | | | | | |
| Regular Debt Service: | | | | | |
| Interest | 411,068 | - | 411,068 | 411,068 | - |
| Redemption of Principal | 980,000 | - | 980,000 | 980,000 | - |
| Total Regular Debt Service | 1,391,068 | - | 1,391,068 | 1,391,068 | - |
| **Total Expenditures** | 1,391,068 | - | 1,391,068 | 1,391,068 | - |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | - | - |
| Other Financing Sources: | | | | | |
| Bond premium | - | - | - | - | - |
| Bond refunding costs | - | - | - | - | - |
| Payoff old bonds & interest | - | - | - | - | - |
| Issue new bonds | - | - | - | - | - |
| | - | - | - | - | - |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures | - | - | - | - | - |
| Fund Balance, July 1 | - | - | - | 1 | 1 |
| Fund Balance, June 30 | $ - | $ - | $ - | $ 1 | $ 1 |
| **Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures** | | | | | |
| Budgeted Fund Balance | $ - | $ - | $ - | $ 1 | $ 1 |

# STATISTICAL SECTION

# Fair Haven School District
## Statistical Section

Contents | Page


**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. 109-114

**Revenue Capacity**
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax. 115-118

**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. 119-122

**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. 123-124

**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. 125-129


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

Exhibit J-1

**FAIR HAVEN SCHOOL DISTRICT**
**Net Position by Component**
**Last Ten Fiscal Years**
*(accrual basis of accounting)*

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Governmental activities | | | | | | | | | | |
| Net investment in capital assets | $ 5,569,663 | $ 6,006,617 | $ 6,096,892 | $ 6,232,112 | $ (8,858,529) | $ 37,005,455 | $ 17,704,481 | $ 17,583,032 | $ 17,466,583 | $ 17,350,134 |
| Restricted | 3,713,535 | 2,543,999 | 2,969,825 | 3,465,465 | 18,769,589 | 9,780,870 | 6,275,452 | 5,137,340 | 2,899,207 | 2,502,973 |
| Unrestricted | (3,364,611) | (3,295,245) | (3,624,804) | (3,791,532) | (3,129,836) | (23,320,532) | (3,766,632) | (3,554,824) | (2,027,272) | (2,599,498) |
| Total governmental activities net position | 5,918,587 | 5,255,371 | 5,441,913 | 5,906,045 | 6,781,224 | 23,465,793 | 20,213,301 | 19,165,548 | 18,338,518 | 17,253,609 |
| Business-type activities | | | | | | | | | | |
| Net investment in capital assets | 60,905 | 53,661 | 46,428 | 39,190 | 36,485 | 29,098 | 19,245 | 14,454 | 9,663 | 4,872 |
| Restricted | - | - | - | - | - | - | - | - | - | - |
| Unrestricted | 6,756 | 3,605 | 3,586 | 11,132 | 11,236 | 11,077 | 41,398 | 45,174 | 46,676 | 1,101 |
| Total business-type activities net position | 67,661 | 57,266 | 50,014 | 50,322 | 47,721 | 40,175 | 60,643 | 59,628 | 56,339 | 5,973 |
| District-wide | | | | | | | | | | |
| Net investment in capital assets | 5,630,568 | 6,060,278 | 6,143,320 | 6,271,302 | (8,822,044) | 37,034,553 | 17,723,726 | 17,597,486 | 17,476,246 | 17,355,006 |
| Restricted | 3,713,535 | 2,543,999 | 2,969,825 | 3,465,465 | 18,769,589 | 9,780,870 | 6,275,452 | 5,137,340 | 2,899,207 | 2,502,973 |
| Unrestricted | (3,357,855) | (3,291,640) | (3,621,218) | (3,780,400) | (3,118,600) | (23,309,455) | (3,725,234) | (3,509,650) | (1,980,596) | (2,598,397) |
| Total district net position | $ 5,986,248 | $ 5,312,637 | $ 5,491,927 | $ 5,956,367 | $ 6,828,945 | $ 23,505,968 | $ 20,273,944 | $ 19,225,176 | $ 18,394,857 | $ 17,259,582 |

Source: ACFR Schedule A-1 and District records.

Exhibit J-2

**FAIR HAVEN SCHOOL DISTRICT**
**Changes in Net Position**
**Last Ten Fiscal Years**
*(accrual basis of accounting)*

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Expenses** | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular | $ 4,297,528 | $ 4,583,325 | $ 4,527,809 | $ 4,686,565 | $ 4,770,293 | $ 5,223,481 | $ 5,216,102 | $ 5,637,028 | $ 5,762,454 | $ 6,949,166 |
| Special education | 1,657,194 | 2,009,995 | 2,278,361 | 2,189,494 | 2,223,939 | 2,451,631 | 2,470,511 | 2,653,010 | 2,827,423 | 2,691,268 |
| Other special education | 42,247 | 76,622 | 81,831 | 93,382 | 75,770 | 48,511 | 92,805 | 86,642 | 123,402 | 132,782 |
| Support Services: | | | | | | | | | | |
| Tuition | 72,132 | 24,018 | 4,538 | 198,067 | 9,690 | 12,345 | | | | |
| Instruction | 1,995,918 | 2,176,964 | 1,972,124 | 1,900,409 | 2,080,229 | 2014375 | 2,566,088 | 2,291,488 | 2,666,033 | 174,653 |
| Attendance and social work | | | | | | | | | | - |
| Health services | | | | | | | | | | 137,388 |
| Improvement of instr. services | | | | | | | | | | 413,426 |
| Educational media services | | | | | | | | | | 374,231 |
| Instruction staff training | | | | | | | | | | - |
| School Administrative services | 382,845 | 419,478 | 419,782 | 404,353 | 407,959 | 423,238 | 439,274 | 453,188 | 458,415 | 479,019 |
| General administration | 748,245 | | 686,735 | 761,640 | 752,536 | 787,721 | 816,021 | 808,002 | 778,006 | 485,086 |
| Capital outlay | | | | | 648,039 | | 2,928,471 | 750,772 | 295,445 | 365,029 |
| Plant operations and maintenance | 1,912,779 | 1,589,250 | 1,661,937 | 1,660,094 | 1,667,653 | 1,493,943 | 1,798,322 | 1,570,260 | 1,809,843 | 2,590,538 |
| Administrative information technology | | | | | | | | | | - |
| Pupil transportation | 159,277 | 180,977 | 156,771 | 124,144 | 33,521 | 39,490 | 108,836 | 157,657 | 270,213 | 177,259 |
| Other support services | | | | | | | | | | 1,685,739 |
| Business and other support services | | | | | | | | | | - |
| Non-budgeted expenditures | 340,178 | 340,549 | 344,459 | 347,260 | 354,966 | 372,014 | 1,096,449 | 1,096,449 | 1,096,449 | 1,484,257 |
| Interest on long-term debt | 194,480 | 169,729 | 159,592 | 149,385 | 324,633 | 518,437 | 479,544 | 453,529 | 429,768 | 405,480 |
| Unallocated employee benefits | 3,995,204 | 4,680,970 | 5,154,989 | 5,483,611 | 4,679,133 | 7,535,141 | 7,157,272 | 7,859,209 | 8,427,376 | 4,064,614 |
| Total governmental activities expenses | 15,798,027 | 16,251,877 | 17,448,928 | 17,998,404 | 18,028,361 | 20,920,327 | 25,169,695 | 23,817,234 | 24,944,827 | 22,609,935 |
| Business-type activities: | | | | | | | | | | |
| Food service | 29,635 | 25,439 | 19,497 | 17,889 | 14,420 | 7,587 | 95,392 | 36,372 | 27,733 | 82,971 |
| Total business-type activities expense | 29,635 | 25,439 | 19,497 | 17,889 | 14,420 | 7,587 | 95,392 | 36,372 | 27,733 | 82,971 |
| Total district expenses | $ 15,827,662 | $ 16,277,316 | $ 17,468,425 | $ 18,016,293 | $ 18,042,781 | $ 20,927,914 | $ 25,265,087 | $ 23,853,606 | $ 24,972,560 | $ 22,692,906 |
| **Program Revenues** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Instruction (tuition) | $ - | $ 24,018 | $ 4,538 | $ 94,638 | $ 147,756 | $ 12,345 | $ - | $ 1,127 | $ - | $ - |
| Pupil transportation | - | - | - | - | - | - | - | - | - | - |
| Central and other support services | - | - | - | - | - | - | - | - | - | 166,712 |
| Operating grants and contributions | 235,724 | 235,077 | 265,311 | 286,926 | 128,815 | 279,805 | 715,876 | 590,062 | 680,238 | 1,981,861 |
| Capital grants and contributions | - | - | - | - | - | - | - | - | - | - |
| Total governmental activities program revenues | 235,724 | 259,095 | 269,849 | 381,564 | 276,571 | 292,150 | 715,876 | 591,189 | 680,238 | 2,148,573 |

Exhibit J-2

**FAIR HAVEN SCHOOL DISTRICT**
**Changes in Net Position**
**Last Ten Fiscal Years**
*(accrual basis of accounting)*

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Business-type activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Food service | $ 12,350 | $ 12,429 | $ 10,032 | $ 10,034 | $ 5,690 | $ - | $ 4,422 | $ 27,238 | $ 20,683 | $ 26,193 |
| Operating grants and contributions | 4,740 | 2,614 | 2,202 | 1,835 | 2,202 | 34 | 116,499 | 8,119 | 3,761 | 6,412 |
| Capital grants and contributions | - | - | - | - | - | - | - | - | - | - |
| Total business type activities program revenues | 17,090 | 15,043 | 12,234 | 11,869 | 7,892 | 34 | 120,921 | 35,357 | 24,444 | 32,605 |
| Total district program revenues | $ 252,814 | $ 274,138 | $ 282,083 | $ 393,433 | $ 284,463 | $ 292,184 | $ 836,797 | $ 626,546 | $ 704,682 | $ 2,181,178 |
| **Net (Expense)/Revenue** | | | | | | | | | | |
| Governmental activities | $ (15,562,303) | $ (17,490,248) | $ (17,179,079) | $ (17,616,840) | $ (17,751,790) | $ (20,628,177) | $ (24,453,819) | $ (23,226,045) | $ (24,264,589) | $ (20,461,362) |
| Business-type activities | (12,545) | (10,396) | (7,263) | (6,020) | (6,528) | (7,553) | 25,529 | (1,015) | (3,289) | (50,366) |
| Total district-wide net expense | $ (15,574,848) | $ (17,500,644) | $ (17,186,342) | $ (17,622,860) | $ (17,758,318) | $ (20,635,730) | $ (24,428,290) | $ (23,227,060) | $ (24,267,878) | $ (20,511,728) |
| **General Revenues and Other Changes in Net Position** | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes levied for general purposes, net | $ 13,150,166 | $ 13,413,000 | $ 13,902,852 | $ 14,180,909 | $ 14,393,622 | $ 14,554,526 | $ 14,845,616 | $ 15,142,528 | $ 15,760,394 | $ 16,389,640 |
| Taxes levied for debt service | 828,150 | 880,620 | 490,418 | 490,517 | 486,917 | 864,517 | 1,262,362 | 1,277,179 | 1,060,310 | 1,238,290 |
| Unrestricted grants and contributions | 2,563,087 | 2,331,261 | 2,877,386 | 3,383,071 | 3,468,498 | 4,268,844 | 5,072,411 | 5,637,120 | 6,003,749 | 1,507,357 |
| Tuition Received | 222,214 | 181,208 | 169,902 | - | - | - | - | - | - | - |
| Investment earnings | - | - | - | - | - | - | - | - | - | 7,980 |
| Miscellaneous income | 906 | 20,943 | 11,874 | 59,840 | 230,211 | 371,681 | 259,457 | 172,031 | 613,106 | 233,186 |
| Adjustments | - | - | (88,168) | (33,365) | - | 17,111,885 | (238,519) | (50,566) | - | - |
| Total governmental activities | 16,764,523 | 16,827,032 | 17,364,264 | 18,080,972 | 18,579,248 | 37,171,453 | 21,201,327 | 22,178,292 | 23,437,559 | 19,376,453 |
| Business-type activities: | | | | | | | | | | |
| Miscellaneous income | - | - | - | 6,322 | 3,927 | 4 | (5,062) | - | - | - |
| Investment earnings | 1 | 1 | 11 | 6 | - | 3 | 1 | - | - | - |
| Total business-type activities | 1 | 1 | 11 | 6,328 | 3,927 | 7 | (5,061) | - | - | - |
| Total district-wide | $ 16,764,524 | $ 16,827,033 | $ 17,364,275 | $ 18,087,300 | $ 18,583,175 | $ 37,171,460 | $ 21,196,266 | $ 22,178,292 | $ 23,437,559 | $ 19,376,453 |
| **Change in Position** | | | | | | | | | | |
| Governmental activities | $ 1,202,220 | $ (663,216) | $ 185,185 | $ 464,132 | $ 827,458 | $ 16,543,276 | $ (3,252,492) | $ (1,047,753) | $ (827,030) | $ (1,084,909) |
| Business-type activities | (12,544) | (10,395) | (7,252) | 308 | (2,601) | (7,546) | 20,468 | (1,015) | (3,289) | (50,366) |
| Total district | $ 1,189,676 | $ (673,611) | $ 177,933 | $ 464,440 | $ 824,857 | $ 16,535,730 | $ (3,232,024) | $ (1,048,768) | $ (830,319) | $ (1,135,275) |

Source: ACFR Schedule A-2 and District records.

Exhibit J-3

**FAIR HAVEN SCHOOL DISTRICT**
**Fund Balances - Governmental Funds**
**Last Ten Fiscal Years**
*(modified accrual basis of accounting)*

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| General Fund | | | | | | | | | | |
| Restricted | $ 2,414,345 | $ 2,007,875 | $ 2,461,963 | $ 2,918,257 | $ 3,490,487 | $ 3,540,046 | $ 3,337,455 | $ 3,026,017 | $ 2,722,252 | $ 1,858,377 |
| Committed | - | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | 762,938 |
| Unassigned | - | - | - | - | - | - | - | - | - | (79,765) |
| Reserved | - | - | - | - | - | - | - | - | - | - |
| Unreserved | 410,821 | 801,166 | 604,811 | 721,743 | 530,913 | 817,802 | 587,184 | 312,871 | (68,551) | - |
| Total general fund | $ 2,825,166 | $ 2,809,041 | $ 3,066,774 | $ 3,640,000 | $ 4,021,400 | $ 4,357,848 | $ 3,924,639 | $ 3,338,888 | $ 2,653,701 | $ 2,541,550 |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Restricted | | | | | | | | | | |
| Special revenue fund | - | - | - | - | - | 122,476 | 97,543 | 88,227 | 67,617 | 127,574 |
| Debt service fund | 1 | 1 | 2 | 1 | 87,967 | 238,519 | - | 1 | 1 | 1 |
| Capital projects fund | 1,299,189 | 536,123 | 517,860 | 512,525 | 15,191,135 | 5,879,829 | 2,757,109 | 2,023,096 | 1,744,410 | 517,021 |
| Total all other governmental funds | $ 1,299,190 | $ 536,124 | $ 517,862 | $ 512,526 | $ 15,279,102 | $ 6,240,824 | $ 2,854,652 | $ 2,111,324 | $ 1,812,028 | $ 644,596 |

Source: ACFR Schedule B-1 and District records.

Exhibit J-4

**FAIR HAVEN SCHOOL DISTRICT**
**Changes in Fund Balances - Governmental Funds**
**Last Ten Fiscal Years**
*(modified accrual basis of accounting)*

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | | | | |
| Tax levy | 13,978,316 | 14,293,620 | 14,393,270 | 14,671,426 | 14,880,539 | 15,419,043 | 16,107,978 | 16,419,707 | 16,820,704 | 17,627,930 |
| Tuition charges | 222,214 | 205,226 | 174,440 | 94,638 | 147,756 | 141,720 | 194,212 | 62,880 | 110,753 | 116,931 |
| Interest earnings | - | - | - | - | - | - | - | - | - | 7,980 |
| Miscellaneous | 2,039 | 20,943 | 11,863 | 138,668 | 230,211 | 242,306 | 227,209 | 132,421 | 346,146 | 251,290 |
| Transportation fees | - | - | - | - | - | - | - | - | - | 86,631 |
| State sources | 2,563,087 | 2,331,261 | 2,879,255 | 3,386,576 | 3,476,103 | 4,288,171 | 5,080,082 | 5,645,520 | 6,012,385 | 2,991,614 |
| Federal sources | 234,591 | 235,077 | 263,442 | 204,593 | 121,210 | 260,478 | 546,241 | 559,519 | 671,602 | 442,650 |
| Other financing sources | - | - | - | - | - | - | - | - | - | - |
| Total revenue | 17,000,247 | 17,086,127 | 17,722,270 | 18,495,901 | 18,855,819 | 20,351,718 | 22,155,722 | 22,820,047 | 23,961,590 | 21,525,026 |
| **Expenditures** | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular Instruction | 4,305,761 | 4,583,325 | 4,596,153 | 4,686,565 | 4,776,988 | 5,197,233 | 5,216,102 | 5,637,028 | 5,762,454 | 6,017,183 |
| Special education instruction | 1,657,194 | 2,009,995 | 2,278,361 | 2,189,494 | 2,223,939 | 2,451,631 | 2,470,511 | 2,653,010 | 2,827,423 | 2,658,375 |
| Other special instruction | 42,247 | 76,622 | 81,831 | 93,382 | 75,770 | 48,511 | 92,805 | 86,642 | 123,402 | 127,300 |
| Support Services: | - | | | | | | | | | |
| Instruction | 72,132 | 24,018 | 4,538 | 198,067 | 9,690 | 12,345 | - | - | 108,841 | 81,455 |
| Attendance and social work | | | | | | | | | | - |
| Health services | | | | | | | | | | 137,388 |
| Other support services | 1,995,918 | 2,176,964 | 1,972,124 | 1,900,409 | 2,080,229 | 2,014,375 | 2,566,088 | 2,291,488 | 2,557,192 | 1,685,739 |
| Improvement of instruction | | | | | | | | | | 413,426 |
| Educational media services | | | | | | | | | | 374,231 |
| Instruction staff training | | | | | | | | | | - |
| General administrative services | 382,845 | 735,814 | 686,735 | 761,640 | 752,536 | 787,721 | 439,274 | 453,188 | 458,415 | 485,086 |
| School administrative services | 748,245 | 419,478 | 419,782 | 404,353 | 407,959 | 423,238 | 816,021 | 808,002 | 778,006 | 472,311 |
| School central services | | | | | | | | | | 365,029 |
| School admin info technology | | | | | | | | | | - |
| Allowed maintenance for school facilities | | | | | | | | | | 347,952 |
| Other operation & maintenance of plant | 1,762,674 | 1,589,250 | 1,661,937 | 1,707,826 | 1,667,653 | 1,493,943 | 1,798,322 | 1,570,260 | 1,809,843 | 1,305,938 |
| Student transportation services | 159,277 | 180,977 | 156,771 | 124,144 | 33,521 | 39,490 | 108,836 | 157,657 | 270,213 | 177,259 |
| Business and other support services | | | | | | | | | | - |
| Unallocated employee benefits | 3,941,014 | 4,352,053 | 5,020,960 | 5,233,500 | 5,666,761 | 6,425,398 | 7,642,691 | 8,256,796 | 8,696,078 | 4,343,964 |
| Non-budgeted expenditures | | | | | | | | | | 1,484,257 |
| Special Schools | - | | | | | | | | | - |
| Charter Schools | - | | | | | | | | | - |
| Capital outlay | 164,430 | 834,155 | 36,390 | 94,748 | 1,172,879 | 9,414,583 | 3,163,946 | 750,772 | 295,445 | 936,648 |
| Debt service: | | | | | | | | | | |
| Principal | 680,000 | 705,000 | 330,000 | 340,000 | 350,000 | 375,000 | 937,000 | 975,000 | 980,000 | 980,000 |
| Interest and other charges | 202,118 | 177,667 | 160,417 | 150,518 | 136,918 | 565,079 | 484,988 | 458,718 | 434,968 | 411,068 |
| Total expenditures | 16,113,855 | 17,865,318 | 17,405,999 | 17,884,646 | 19,354,843 | 29,248,547 | 25,736,584 | 24,098,561 | 25,102,280 | 22,804,609 |
| Excess (Deficiency) of revenues over (under) expenditures | 886,392 | (779,191) | 316,271 | 611,255 | (499,024) | (8,896,829) | (3,580,862) | (1,278,514) | (1,140,690) | (1,279,583) |
| **Other Financing sources (uses)** | | | | | | | | | | |
| Sale of bonds | - | - | - | - | - | - | - | - | - | - |
| Refunding of bonds | - | - | - | - | 15,647,000 | - | - | - | - | - |
| Bond costs / premium | - | - | - | - | - | - | - | - | - | - |
| Prior year adjustment | (4,181) | - | (15,168) | (33,365) | - | 5,985 | (238,519) | (50,566) | - | - |
| Transfers in | - | - | - | - | - | - | - | - | 200,000 | 281,118 |
| Transfers out | - | - | (73,000) | - | - | - | - | - | (43,793) | (281,118) |
| Total other financing sources (uses) | (4,181) | - | (88,168) | (33,365) | 15,647,000 | 5,985 | (238,519) | (50,566) | 156,207 | - |
| Net change in fund balances | 882,211 | (779,191) | 228,103 | 577,890 | 15,147,976 | (8,890,844) | (3,819,381) | (1,329,080) | (984,483) | (1,279,583) |
| Debt service as a percentage of noncapital expenditures | 5.53% | 5.18% | 2.82% | 2.76% | 2.68% | 4.74% | 6.30% | 6.14% | 5.70% | 6.36% |

Source: ACFR Schedule B-2 and District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Exhibit J-5

# FAIR HAVEN SCHOOL DISTRICT
## General Fund - Other Local Revenue by Source
## Last Ten Fiscal Years
*(modified accrual basis of accounting)*

| Fiscal Year Ending June 30, | Sale of Capital Assets | Interest on Investments | Event Receipts | Rentals | Prior Year Refunds | Transportation Fees | Miscellaneous | Annual Totals |
|---|---|---|---|---|---|---|---|---|
| 2016 | - | - | - | - | - | - | 2,039 | 2,039 |
| 2017 | - | - | - | - | - | - | 20,943 | 341,258 |
| 2018 | - | - | - | - | - | - | 11,863 | 429,529 |
| 2019 | - | - | - | - | - | - | 59,840 | 59,840 |
| 2020 | - | - | - | - | - | - | 230,211 | 533,553 |
| 2021 | - | - | - | - | - | - | 242,306 | 448,774 |
| 2022 | - | - | - | - | - | - | 227,209 | 227,209 |
| 2023 | - | - | - | - | - | - | 132,421 | 132,421 |
| 2024 | - | - | - | - | - | - | 346,146 | 346,146 |
| 2025 | - | 94,611 | - | - | - | - | 29,624 | 124,235 |

Source: District records

**FAIR HAVEN SCHOOL DISTRICT**
**Assessed Value and Estimated Actual Value of Taxable Property**
**Last Ten Fiscal Years**

| Calender Year Ended Dec 31, | 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] | Total Direct Regional Tax Rate |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2016 | 11,427,100 | 1,510,231,800 | | | 51,014,900 | e | | - | 1,572,673,800 | - | 443,518 | 1,573,117,318 | 1,573,117,318 | d | 0.0914 | 0.3260 |
| 2017 | 13,091,211 | 1,572,206,868 | | | 52,800,422 | e | | - | 1,638,098,500 | - | 450,247 | 1,638,548,747 | 1,638,548,747 | d | 0.9090 | 0.3400 |
| 2018 | 15,418,300 | 1,651,642,500 | | | 53,548,500 | e | | - | 1,720,609,300 | - | 450,480 | 1,721,059,780 | 1,721,059,780 | c | 0.8530 | 0.3400 |
| 2019 | 15,872,100 | 1,723,174,400 | | | 54,075,700 | e | | - | 1,793,122,200 | - | 460,011 | 1,793,582,211 | 1,793,582,211 | c | 0.8310 | 0.3370 |
| 2020 | 13,755,800 | 1,762,650,400 | | | 57,679,200 | e | | - | 1,834,085,400 | - | 501,515 | 1,834,586,915 | 1,834,586,915 | c | 0.8410 | 0.3300 |
| 2021 | 9,099,200 | 1,815,140,000 | | | 58,681,000 | e | | - | 1,882,904,200 | - | 513,323 | 1,883,417,523 | 1,883,417,523 | c | 0.8550 | 0.3200 |
| 2022 | 11,661,200 | 2,032,176,800 | | | 60,302,600 | e | | - | 2,104,140,600 | - | 518,952 | 2,104,659,552 | 2,104,659,552 | c | 0.7800 | 0.2940 |
| 2023 | 13,719,300 | 2,280,193,000 | | | 63,550,300 | e | | - | 2,357,462,600 | - | 527,459 | 2,357,990,059 | 2,357,462,600 | c | 0.7130 | 0.2770 |
| 2024 | 11,192,800 | 2,506,434,200 | | | 67,917,400 | e | | - | 2,585,544,400 | - | 543,146 | 2,586,087,546 | 2,547,488,208 | c | 0.6820 | 0.2510 |
| 2025 | - | - | | | - | e | | - | - | - | - | - | - | c | - | - |

**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 and for year following calendar year end as shown
**c** Based on county abstract of ratables column 11 net valuation for county tax apportionment
**d** Table of Equalized Valuations per the NJ Dept of Treasury
**e** Commercial values include tax exempt property
**N/A** At the time of ACFR completion, this data was not yet available

Exhibit J-7

## FAIR HAVEN SCHOOL DISTRICT
## Direct and Overlapping Property Tax Rates
## Last Ten Fiscal Years
*(rate per $100 of assessed value)*

| Fiscal Year Ended June 30, | Basic Rate [a] | General Obligation Debt Service [b] | (From J-6) Total Direct School Tax Rate | Regional School Rate | Borough of Fair Haven | Monmouth County | Total Direct and Overlapping Tax Rate |
|---|---|---|---|---|---|---|---|
| 2016 | 0.8310 | 0.0830 | 0.9140 | 0.3260 | 0.3990 | 0.2720 | 2.3250 |
| 2017 | 0.8260 | 0.0830 | 0.9090 | 0.3400 | 0.4050 | 0.2670 | 1.9550 |
| 2018 | 0.8240 | 0.0290 | 0.8530 | 0.3400 | 0.3770 | 0.2480 | 1.8630 |
| 2019 | 0.0800 | 0.0290 | 0.8310 | 0.3370 | 0.3720 | 0.2400 | 1.8250 |
| 2020 | 0.7930 | 0.0445 | 0.8410 | 0.3300 | 0.3950 | 0.2330 | 1.8430 |
| 2021 | 0.7880 | 0.0444 | 0.8550 | 0.3200 | 0.4050 | 0.2300 | 1.8550 |
| 2022 | 0.7190 | 0.0442 | 0.7800 | 0.2940 | 0.3730 | 0.2610 | 1.7080 |
| 2023 | 0.7190 | 0.0220 | 0.7800 | 0.2940 | 0.3730 | 0.2610 | 1.7080 |
| 2024 | 0.7490 | 0.0222 | 0.7990 | 0.2510 | 0.3120 | 0.2240 | 1.5860 |
| 2025 | - | - | - | - | - | - | - |

**Source: Municipal Tax Collector**

**Note:**

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

**a** The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

**b** Rates for debt service are based on each year's requirements.

Exhibit J-8

**FAIR HAVEN SCHOOL DISTRICT**
**Principal Property Taxpayers**
**Current Year and Nine Years Ago**

| | 2025 | | | | 2016 | | |
|---|---|---|---|---|---|---|---|
| | Taxable Assessed Value | Rank [Optional] | % of Total District Net Assessed Value | | Taxable Assessed Value | Rank [Optional] | % of Total District Net Assessed Value |
| Taxpayer 1 | - | 1 | 0.00% | Taxpayer 1 | - | 1 | 0.00% |
| Taxpayer 2 | - | 2 | 0.00% | Taxpayer 2 | - | 2 | 0.00% |
| Taxpayer 3 | - | 3 | 0.00% | Taxpayer 3 | - | 3 | 0.00% |
| Taxpayer 4 | - | 4 | 0.00% | Taxpayer 4 | - | 4 | 0.00% |
| Taxpayer 5 | - | 5 | 0.00% | Taxpayer 5 | - | 5 | 0.00% |
| Taxpayer 6 | - | 6 | 0.00% | Taxpayer 6 | - | 6 | 0.00% |
| Taxpayer 7 | - | 7 | 0.00% | Taxpayer 7 | - | 7 | 0.00% |
| Taxpayer 8 | - | 8 | 0.00% | Taxpayer 8 | - | 8 | 0.00% |
| Taxpayer 9 | - | 9 | 0.00% | Taxpayer 9 | - | 9 | 0.00% |
| Taxpayer 10 | - | 10 | 0.00% | Taxpayer 10 | - | 10 | 0.00% |
| Total | $ - | | 0.00% | Total | $ - | | 0.00% |

**Source**: Municipal Tax Assessor

Exhibit J-9

# FAIR HAVEN SCHOOL DISTRICT
## Property Tax Levies and Collections
## Last Ten Fiscal Years

| Fiscal Year Ended June 30, | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years |
|---|---|---|---|---|
| | | Amount | Percentage of Levy | |
| 2016 | 13,978,316 | 13,978,316 | 100.00% | N/A |
| 2017 | 14,293,620 | 14,293,620 | 100.00% | N/A |
| 2018 | 14,671,426 | 14,671,426 | 100.00% | N/A |
| 2019 | 14,880,539 | 14,880,539 | 100.00% | N/A |
| 2020 | 15,419,043 | 15,419,043 | 100.00% | N/A |
| 2021 | 16,107,978 | 16,107,978 | 100.00% | N/A |
| 2022 | - | - | 0.00% | N/A |
| 2023 | 16,419,707 | 16,419,707 | 100.00% | N/A |
| 2024 | 16,820,704 | 16,820,704 | 100.00% | N/A |
| 2025 | 17,627,930 | 17,627,930 | 100.00% | N/A |

Source: Municipal Chief Financial Officer

Exhibit J-10

# FAIR HAVEN SCHOOL DISTRICT
## Ratios of Outstanding Debt by Type
## Last Ten Fiscal Years

| Year Ended June 30, | Governmental Activities | | | | Business-Type Activities | | Percentage of Personal Income [a] | Per Capita [a] |
|---|---|---|---|---|---|---|---|---|
| | General Obligation Bonds [b] | Certificates of Participation | Capital Leases | Bond Anticipation Notes (BANs) | Capital Leases | Total District | | |
| 2016 | 5,830,000 | - | - | - | - | 5,830,000 | N/A | N/A |
| 2017 | 5,125,000 | - | - | - | - | 5,125,000 | N/A | N/A |
| 2018 | 4,635,000 | - | - | - | - | 4,635,000 | N/A | N/A |
| 2019 | 4,455,000 | - | - | - | - | 4,455,000 | N/A | N/A |
| 2020 | 19,752,000 | - | - | - | - | 19,752,000 | N/A | N/A |
| 2021 | 19,377,000 | - | - | - | - | 19,377,000 | N/A | N/A |
| 2022 | 18,979,000 | - | - | - | - | 18,979,000 | N/A | N/A |
| 2023 | 18,022,000 | - | - | - | - | 18,022,000 | N/A | N/A |
| 2024 | 17,042,000 | - | - | - | - | 17,042,000 | N/A | N/A |
| 2025 | 15,505,000 | - | - | - | - | 15,505,000 | N/A | N/A |

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

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

**b** Includes Early Retirement Incentive Plan (ERIP) refunding

Exhibit J-11

## FAIR HAVEN SCHOOL DISTRICT
## Ratios of General Bonded Debt Outstanding
## Last Ten Fiscal Years

| Fiscal Year Ended June 30, | General Bonded Debt Outstanding: General Obligation Bonds | Deductions | Net General Bonded Debt Outstanding | Percentage of Actual Taxable Value [a] of Property | Per Capita [b] |
|---|---|---|---|---|---|
| 2016 | 5,830,000 | - | 5,830,000 | 0.37% | 21571.00 |
| 2017 | 5,125,000 | - | 5,125,000 | 0.31% | 15888.00 |
| 2018 | 4,715,000 | - | 4,715,000 | 0.28% | 13202.00 |
| 2019 | 4,455,000 | - | 4,455,000 | 0.25% | 11138 |
| 2020 | 19,752,000 | - | 19,752,000 | 1.08% | N/A |
| 2021 | 19,377,000 | - | 19,377,000 | 1.03% | N/A |
| 2022 | 18,997,000 | - | 18,997,000 | 0.00% | N/A |
| 2023 | 18,022,000 | - | 18,022,000 | 0.00% | N/A |
| 2024 | 17,042,000 | - | 17,042,000 | 0.00% | N/A |
| 2025 | 15,505,000 | - | 15,505,000 | #DIV/0! | N/A |

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

**a** Use Estimated County equalized value from J-6

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

FAIR HAVEN SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2025

| Governmental Unit | Debt Outstanding | Estimated Percentage Applicable [a] | Estimated Share of Overlapping Debt |
|---|---|---|---|
| Debt repaid with property taxes | | | |
| Borough of Fair Haven | $ - | 100.00% | $ - |
| Monmouth County General Obligation Debt | - | - | - |
| Subtotal, overlapping debt | | | - |
| **Fair Haven School District Direct Debt** | | | 15,505,000 |
| **Total direct and overlapping debt** | | | $ 15,505,000 |

**Sources:** Assessed value data used to estimate applicable percentages provided by the Monmouth County Board of Taxation.
Debt outstanding data provided by each governmental unit.

**FAIR HAVEN SCHOOL DISTRICT**
**Legal Debt Margin Information**
**Last Ten Fiscal Years**

| | | | |
|---|---|---|---|
| Equalized valuation basis | | | |
| | 2025 | $ - | a |
| | 2024 | $ 2,586,087,546 | b |
| | 2023 | $ 2,357,462,600 | b |
| | **[A]** | $ 4,943,550,146 | |
| Average equalized valuation o | **[A/3]** | $ 1,647,850,049 | |
| Debt limit (4 % of average equ | **[B]** | 65,914,002 | |
| | **[C]** | $ 15,505,000 | |
| | **[B-C]** | $ 50,409,002 | |

| | Fiscal Year | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Debt limit | $ 44,639,937 | $ 46,082,488 | $ 49,620,136 | $ 51,518,300 | $ 53,478,169 | $ 55,106,251 | $ 63,455,397 | $ - | $ 53,440,097 | $ 65,914,002 |
| Total net debt applicable to limit | 5,830,000 | 5,125,000 | 4,715,000 | 4,455,000 | 19,752,000 | 19,377,000 | 18,997,000 | 18,022,000 | 17,042,000 | 15,505,000 |
| Legal debt margin | $ 38,809,937 | $ 40,957,488 | $ 44,905,136 | $ 47,063,300 | $ 33,726,169 | $ 35,729,251 | $ 44,458,397 | $ (18,022,000) | $ 36,398,097 | $ 50,409,002 |
| Total net debt applicable to the limit as a percentage of debt limit | 13.06% | 11.12% | 9.50% | 8.65% | 36.93% | 35.16% | 29.94% | #DIV/0! | 31.89% | 23.52% |

**Source:**
a A4f of budget submission from current year
b Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

Exhibit J-14

# FAIR HAVEN SCHOOL DISTRICT
## Demographic and Economic Statistics
## Last Ten Fiscal Years

| Year | Population | Personal Income | Per Capita Personal Income | Unemployment Rate |
|---|---|---|---|---|
| 2016 | 6,089 | N/A | 65,104 | 3.40% |
| 2017 | 6,075 | N/A | 63,854 | 5.70% |
| 2018 | 6,033 | N/A | 64,598 | 2.90% |
| 2019 | 5,820 | N/A | 64,598 | 2.40% |
| 2020 | 5,736 | N/A | 70,488 | 2.30% |
| 2021 | 6,269 | N/A | 72,201 | 5.10% |
| 2022 | 6,166 | N/A | N/A | 0.00% |
| 2023 | N/A | N/A | N/A | 0.00% |
| 2024 | 6,109 | N/A | N/A | 0.00% |
| 2025 | N/A | N/A | N/A | 0.00% |

**Source:**

Us Census Bureau

Exhibit J-15

FAIR HAVEN SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago

| | 2025 | | | 2016 | | |
|---|---|---|---|---|---|---|
| Employer | Employees | Rank [Optional] | Percentage of Total Municipal Employment | Employees | Rank [Optional] | Percentage of Total Municipal Employment |
| | - | | 0% | - | | 0.00% |
| | - | | 0% | - | | 0.00% |
| | - | | 0% | - | | 0.00% |
| | - | | 0% | - | | 0.00% |
| | - | | 0% | - | | 0.00% |
| | - | | 0% | - | | 0.00% |
| | - | | 0.00% | - | | 0.00% |

Source: Municipal Tax Collector

Municipality didn't have the information available at the time of publication of this report.

Exhibit J-16

FAIR HAVEN SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
Last Ten Fiscal Years

| Function/Program | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| Instruction | | | | | | | | | | |
| Regular | 73.0 | 70.0 | 71.0 | 67.0 | 67.0 | 69.0 | 69.0 | 69.0 | 69.0 | 69.0 |
| Special education | 20.0 | 18.0 | 36.0 | 40.0 | 43.0 | 42.0 | 42.0 | 42.0 | 42.0 | 42.0 |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 38.0 | 35.0 | 12.0 | 9.0 | 11.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 |
| General administration | 4.0 | 4.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| School administrative services | 2.0 | 2.0 | 5.0 | 5.0 | 5.0 | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 |
| Other administrative services | 4.0 | 4.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Plant operations and maintenance | 8.5 | 9.0 | 11.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 |
| Other support services | 4.5 | 5.0 | 14.0 | 20.0 | 19.0 | 19.0 | 19.0 | 19.0 | 19.0 | 19.0 |
| Total | 154.0 | 147.0 | 154.0 | 159.0 | 163.0 | 163.0 | 163.0 | 163.0 | 163.0 | 163.0 |

**Source:** District Personnel Records

a - This figure includes special education aides.
b - This figure was only reported beginning in 2022.

# FAIR HAVEN SCHOOL DISTRICT
## Operating Statistics
## Last Ten Fiscal Years

| Fiscal Year | Enrollment | Operating Expenditures [a] | Cost Per Pupil | | Percentage Change | Pupil/Teacher Ratio: Teaching Staff [b] | Pupil/Teacher Ratio: Elementary | Average Daily Enrollment (ADE) [c] | Average Daily Attendance (ADA) [c] | % Change in Average Daily Enrollment | Student Attendance Percentage |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 2016 | 1,023 | 14,595,933 | 14,268 | d | 2.50% | - | 0 | - | - | 0.00% | 0.00% |
| 2017 | 1,022 | 14,562,937 | 14,249 | d | -0.13% | - | 0 | 1,018 | 984 | 0.00% | 96.55% |
| 2018 | 998 | 14,946,587 | 14,977 | d | 5.10% | 102 | 9:08 | 990 | 952 | -2.75% | 96.16% |
| 2019 | 993 | 14,697,849 | 14,801 | d | -1.17% | 104 | 9:03 | 967 | 921 | -2.32% | 95.20% |
| 2020 | 973 | 14,995,820 | 15,412 | d | 4.12% | 107 | 9:01 | 973 | 947 | 0.62% | 97.30% |
| 2021 | 978 | 15,511,545 | 15,860 | d | 2.91% | 107 | 9:01 | 978 | 942 | 0.51% | 96.30% |
| 2022 | 962 | 16,389,962 | 17,037 | d | 7.42% | 110 | 8:08 | 962 | 942 | 0.00% | 97.92% |
| 2023 | 968 | 17,591,800 | 18,173 | d | 6.67% | 110 | 8:08 | 968 | 909 | -3.50% | 93.90% |
| 2024 | 987 | 18,326,695 | 18,568 | | 2.17% | 110 | 8:08 | 959 | 913 | 0.44% | 95.20% |
| 2025 | 969 | 18,533,179 | 19,126 | | 3.01% | 110 | N/A | 969 | 937 | 0.00% | 0.00% |

**Sources:** District records

**Note: Enrollment based on annual October district count ASSA 10/15/24 count for FYE 2025.**

a Operating expenditures equal total expenditures less debt service, on behalf contributions and capital outlay per schedule c -1
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).
N/A Information was not published at the time of this report

Exhibit J-18

# FAIR HAVEN SCHOOL DISTRICT
## School Building Information
## Last Ten Fiscal Years

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|---|---|---|---|
| **District Building** | | | | | | | | | | |
| Elementary | | | | | | | | | | |
| Knollwood Elementary | | | | | | | | | | |
| Square Feet | 77,059 | 77,059 | 77,059 | 77,059 | 77,059 | 77,059 | 77,059 | 77,059 | 77,059 | 77,059 |
| Capacity (students) | 637 | 637 | 637 | 637 | 637 | 637 | 670 | 670 | 670 | 670 |
| Enrollment | 588 | 591 | 591 | 580 | 556 | 556 | 511 | 510 | 511 | 504 |
| Viola L. Sickles Elementary | | | | | | | | | | |
| Square Feet | 40,598 | 40,598 | 40,598 | 40,598 | 40,598 | 40,598 | 40,598 | 40,598 | 40,598 | 40,598 |
| Capacity (students) | 458 | 458 | 458 | 458 | 458 | 458 | 639 | 639 | 639 | 639 |
| Enrollment | 435 | 431 | 431 | 413 | 417 | 422 | 451 | 458 | 476 | 465 |

Number of Schools at June 30, 2025
Elementary = 2

**Source:** District Facilities Office

Increases in square footage and capacity are result of additions. Enrollment is based on the annual October district count.

Exhibit J-19

# FAIR HAVEN SCHOOL DISTRICT
## Schedule of Required Maintenance Expenditures by School Facility
## Last Ten Fiscal Years

| * School Facilities Project # (s) | Viola L. Sickles | Knollwood | Total |
|---|---|---|---|
| 2016 | 85,922 | 184,186 | 270,108 |
| 2017 | 63,136 | 105,314 | 168,450 |
| 2018 | 186,005 | 238,645 | 424,650 |
| 2019 | 104,601 | 183,746 | 288,347 |
| 2020 | 170,660 | 290,676 | 461,336 |
| 2021 | 120,000 | 228,000 | 348,000 |
| 2022 | 136,905 | 253,003 | 389,908 |
| 2023 | 125,000 | 285,000 | 410,000 |
| 2024 | 125,000 | 285,000 | 410,000 |
| 2025 | 120,000 | 227,952 | 347,952 |
| Total School Facilities | $ 1,536,175 | $ 2,433,359 | $ 4,344,816 |

* School facilities as defined under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District records

**FAIR HAVEN SCHOOL DISTRICT**
**Insurance Schedule**
**June 30, 2025**

| | Coverage | Deductible |
|---|---|---|
| School package policy - MOCSSIF/NJSBAIG | | |
| Property | 500,000,000 | 5,000 |
| Electronic Data Processing | 500,000 | 1,000 |
| Equipment Breakdown | 100,000,000 | 5,000 |
| Crime | 500,000 | 1,000 |
| Comprehensive General Liability | 6,000,000 | 1,000 |
| Automobile | 6,000,000 | 1,000 |
| Worker's Compensation - MOCSSIF/NJSBAIG | 3,000,000 | |
| School Leaders Errors and Omissions - MOCSSIF/NJSBAIG | 5,000,000 | 5,000 |
| Surety Bonds - Selective Insurance | | |
| Board Secretary / Business Administrator | 200,000 | |
| Treasurer of School Monies | 200,000 | |

Source: District Records

SINGLE AUDIT SECTION

JUMP, PERRY AND COMPANY, LLP
Certified Public Accountants

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Toms River, NJ 08753
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# INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable President and
Members of the Board of Education
Fair Haven Board of Education
County of Monmouth
Fair Haven, New Jersey 07704

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 Fair Haven Board of Education in the County of Monmouth, 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 Fair Haven Board of Education 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 the Fair Haven Board of Education's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fair Haven Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Fair Haven Board of Education's internal control.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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

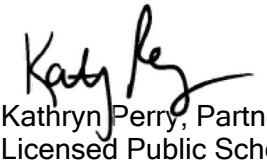
As part of obtaining reasonable assurance about whether the Fair Haven Board of Education financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a 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

December 5, 2025

JUMP, PERRY AND COMPANY, LLP
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# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY NEW JERSEY OMB 15-08

Honorable President and
Members of the Board of Education
Fair Haven Board of Education
County of Monmouth
Fair Haven, New Jersey 07704

## Report on Compliance for Each Major State Program

### *Opinion on Each Major State Program*

We have audited the Fair Haven Board of Education'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 Fair Haven Board of Education's major state programs for the year ended June 30, 2025. Fair Haven Board of Education'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, Fair Haven Board of Education 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 Fair Haven Board of Education 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 state program. Our audit does not provide a legal determination of Fair Haven Board of Education'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 Fair Haven Board of Education's state programs.

### *Auditor's Responsibilities for the Audit of Compliance*

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Fair Haven Board of Education'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 requirments 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 Fair Haven Board of Education'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 the 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 Fair Haven Board of Education'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 Fair Haven Board of Education's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of Fair Haven Board of Education's internal control over compliance. Accordingly, no such opinion is expressed.

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

## Report on Internal Control Over Compliance

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

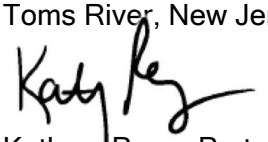
Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant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

**FAIR HAVEN SCHOOL DISTRICT**
**Schedule of Expenditures of Federal Awards, Schedule A**
**For the Year Ended June 30, 2025**

| Federal Grantor/Pass-Through Grantor/Program Title | Federal Assistance Listing Number | Federal FAIN Number | Grant Period | Award Amount | Balance at July 1, 2024 | Adjustments | Cash Received | Budgetary Expenditures | Balance at June 30, 2025 Deferred Revenue | Balance at June 30, 2025 Accounts Receivable | Balance at June 30, 2025 Due to Grantor |
|---|---|---|---|---|---|---|---|---|---|---|---|
| U.S. Department of Treasury: | | | | | | | | | | | |
| U.S. Department of Education Passed-through New Jersey Department of Education: | | | | | | | | | | | |
| Title I, Basic Allocation | 84.010 | S010A240030 | 7/1/24-6/30/25 | - | - | | - | - | - | - | - |
| Title I, Basic Allocation | 84.010 | S010A230030 | 7/1/23-6/30/24 | 19,297 | (2,301) | | 2,301 | - | - | - | - |
| Title II - Part A | 84.367 | S367A240029 | 7/1/24-6/30/25 | 9,900 | - | | 516 | (9,900) | - | (9,384) | - |
| Title II - Part A | 84.367 | S367A230029 | 7/1/23-6/30/24 | 10,677 | (1,751) | - | 1,751 | - | - | - | - |
| Title IV - Part A | 84.424 | S424A230031 | 7/1/23-6/30/24 | 12,054 | (2,295) | - | 2,295 | - | - | - | - |
| Title IV - Part A | 84.424 | S424A240031 | 7/1/24-6/30/25 | 10,822 | - | | 516 | (10,602) | - | (10,086) | - |
| ARP - ESSER | 84.425U | S425U240027 | 3/13/20-9/30/24 | 171,187 | (39,786) | - | 39,786 | - | - | - | - |
| ARP - Accelerated Learning Coach & Ed | 84.425U | S425U240027 | 3/13/20-9/30/24 | 79,073 | 28,000 | - | - | (28,000) | - | - | - |
| ARP - Evidence Based Summer Learning & Enrichment | 84.425U | S425U240027 | 3/13/20-9/30/24 | 40,000 | 5,447 | - | - | (5,447) | - | - | - |
| ARP - Evidence Based Comprehensive Beyond the School Day | 84.425U | S425U240027 | 3/13/20-9/30/24 | 40,000 | - | | - | - | - | - | - |
| ARP - NJTSS Mental Health Support | 84.425U | S425U240027 | 3/13/20-9/30/24 | 45,000 | 9,575 | | - | (9,575) | - | - | - |
| Special Education Cluster: | | | | | | | | | | | |
| I.D.E.A. Part B Basic | 84.027 | H027A240100 | 7/1/24-6/30/25 | 219,720 | - | - | 134,301 | (219,720) | - | (85,419) | - |
| I.D.E.A. Part B Basic | 84.027 | H027A230100 | 7/1/23-6/30/24 | 280,335 | (68,281) | - | 68,281 | - | - | - | - |
| I.D.E.A. Part B Preschool | 84.173 | H173A240114 | 7/1/23-6/30/24 | 9,216 | (1,539) | | 1,539 | - | - | - | - |
| I.D.E.A. Part B Preschool | 84.173 | H173A230114 | 7/1/24-6/30/25 | 10,619 | - | - | 2,163 | (8,457) | - | (6,294) | - |
| Subtotal of Special Education Cluster | | | | | (69,820) | - | 206,284 | (228,177) | - | (91,713) | - |
| Total Special Revenue Fund | | | | | (72,931) | - | 253,449 | (291,701) | - | (111,183) | - |
| U.S. Department of Agriculture Passed-through NJ Department of Agriculture: | | | | | | | | | | | |
| Food Distribution Program | 10.555 | 251NJ304N1099 | 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: | | | 7/1/23-6/30/24 | | | | | | | | |
| HHFKA | 10.555 | 241NJ304N1099 | 7/1/23-6/30/24 | 455 | (64) | - | 64 | - | - | - | - |
| National School Lunch Program | 10.555 | 241NJ304N1099 | 7/1/23-6/30/24 | 2,963 | (448) | - | 448 | - | - | - | - |
| National School Lunch Program | 10.555 | 251NJ304N1099 | 7/1/24-6/30/25 | 5,424 | - | - | 5,144 | (5,424) | - | (280) | - |
| Subtotal of Child Nutrition Cluster | | | | | (512) | - | 5,978 | (5,746) | - | (280) | - |
| Total Enterprise (Food Service) Fund | | | | | (512) | - | 5,978 | (5,746) | - | (280) | - |
| Total Expenditures of Federal Awards | | | | | $ (73,443) | $ - | $ 259,427 | $ (297,447) | $ - | $ (111,463) | $ - |

See accompanying notes to schedules of expenditures.

**FAIR HAVEN 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 July 1, 2024 | Cash Received | Budgetary Expenditures | Deferred Revenue at June 30, 2025 | (Accounts Receivable) at June 30, 2025 | Due to Grantor at June 30, 2025 | MEMO Budgetary Receivable | MEMO Cumulative Total Expenditures |
|---|---|---|---|---|---|---|---|---|---|---|---|
| New Jersey Department of Education | | | | | | | | | | | |
| General Fund: | | | | | | | | | | | |
| Extraordinary Aid | 24-100-034-5120-473 | 7/1/23-6/30/24 | 309,465 | $ (309,465) | $ 309,465 | $ - | $ - | $ - | $ - | $ - | $ - |
| Extraordinary Aid | 25-100-034-5120-473 | 7/1/24-6/30/25 | 206,572 | - | - | (206,572) | | (206,572) | | | (206,572) |
| Student Mental Health Services | 25-495-034-5120-179 | 7/1/24-6/30/25 | 100,000 | - | 100,000 | (100,000) | | - | | | (100,000) |
| Special Education Categorical Aid | 25-495-034-5120-089 | 7/1/24-6/30/25 | 1,095,516 | - | 973,933 | (1,095,516) | | | - | (121,583) | (1,095,516) |
| Categorical Security Aid | 25-495-034-5120-084 | 7/1/24-6/30/25 | 90,509 | - | 90,509 | (90,509) | | | | - | (90,509) |
| Categorical Transportation Aid | 25-495-034-5120-014 | 7/1/24-6/30/25 | 46,572 | - | 46,572 | (46,572) | - | - | - | - | (46,572) |
| TPAF Pension Contribution | 25-495-034-5094-002 | 7/1/24-6/30/25 | 2,930,979 | - | 2,930,979 | (2,930,979) | - | - | - | - | (2,930,979) |
| TPAF Post-Retirement Medical | 25-495-034-5094-001 | 7/1/24-6/30/25 | 856,434 | - | 856,434 | (856,434) | - | - | - | - | (856,434) |
| TPAF Non-contributory Insurance | 25-495-034-5094-004 | 7/1/24-6/30/25 | 1,337 | - | 1,337 | (1,337) | - | - | - | - | (1,337) |
| Reimbursed TPAF Social Security Tax Contribution | 24-495-034-5094-003 | 7/1/23-6/30/24 | 1,604,143 | (3,139) | 3,139 | - | - | - | - | - | - |
| Reimbursed TPAF Social Security Tax Contribution | 25-495-034-5094-003 | 7/1/24-6/30/25 | 626,486 | - | 595,438 | (626,486) | - | (31,048) | - | - | (626,486) |
| Total General Fund | | | | (312,604) | 5,907,806 | (5,954,405) | - | (237,620) | - | (121,583) | (5,954,405) |
| Special Revenue Fund: | | | | | | | | | | | |
| N.J. Nonpublic Texbooks | 24-100-034-5120-064 | 7/1/24-6/30/25 | 1,023 | - | 1,023 | (1,023) | - | - | - | - | (1,023) |
| N.J. Nonpublic Nursing Aid | 25-100-034-5120-070 | 7/1/24-6/30/25 | 2,600 | - | 2,600 | (2,600) | - | - | - | - | (2,600) |
| N.J. Nonpublic Technology Aid | 25-100-034-5120-373 | 7/1/24-6/30/25 | 980 | - | 980 | (980) | - | - | - | - | (980) |
| N.J. Nonpublic Security Aid | 25-100-034-5120-509 | 7/1/24-6/30/25 | 4,100 | - | 4,100 | (4,100) | - | - | - | - | (4,100) |
| Total Special Revenue Fund | | | | - | 8,703 | (8,703) | - | - | - | - | (8,703) |
| Capital Project Fund: | | | | | | | | | | | |
| SDA Grant | 1440-060-14-1005 | 7/1/14-6/30/15 | 13,442 | (6,650) | 16,345 | (9,695) | - | - | - | - | - |
| SDA Grant | 1440-050-14-1004 | 7/1/14-6/30/15 | 513,088 | (172,617) | 200,454 | (27,837) | | | | | |
| SDA Grant | 1440-050-14-1003 | 7/1/14-6/30/15 | 29,827 | (17,753) | 17,753 | - | - | - | - | - | - |
| Total Capital Project Fund | | | | (197,020) | 234,552 | (37,532) | - | - | - | - | - |
| Debt Service Fund: | | | | | | | | | | | |
| Debt service aid | 25-495-034-5120-017 | 7/1/24-6/30/25 | 152,778 | - | 152,778 | (152,778) | - | - | - | - | - |
| Total Debt service Aid | | | | - | 152,778 | (152,778) | - | - | - | - | - |
| Enterprise Fund: | | | | | | | | | | | |
| State School Lunch Program | 24-100-010-3350-023 | 7/1/23-6/30/24 | 343 | (48) | 48 | - | - | - | - | - | - |
| State School Lunch Program | 25-100-010-3350-023 | 7/1/24-6/30/25 | 345 | - | 330 | (345) | - | (15) | - | - | - |
| Summer P-EBT Administrative Costs Grant | SEBT24state | 7/1/24-6/30/25 | 321 | - | (321) | 321 | - | - | - | - | - |
| Total Enterprise Fund | | | | (48) | 57 | (24) | - | (15) | - | - | - |
| Total Expenditures of State Awards | | | | $ (509,672) | $ 6,303,896 | $ (6,153,442) | $ - | $ (237,635) | $ - | $ (121,583) | $ (5,954,405) |
| State Financial Assistance Not Subject to Single Audit Determination | | | | | | | | | | | |
| TPAF Pension Contribution | 25-495-034-5094-002 | 7/1/24-6/30/25 | 2,930,979 | - | 2,930,979 | (2,930,979) | - | - | - | - | (2,930,979) |
| TPAF Post-Retirement Medical | 25-495-034-5094-001 | 7/1/24-6/30/25 | 856,434 | - | 856,434 | (856,434) | - | - | - | - | (856,434) |
| TPAF Non-contributory Insurance | 25-495-034-5094-004 | 7/1/24-6/30/25 | 1,337 | - | 1,337 | (1,337) | - | - | - | - | (1,337) |
| Total State Financial Assistance Not Subject to Single Audit Determination | | | | - | 3,788,750 | (3,788,750) | - | - | - | - | (3,788,750) |
| Total Expenditures of State Awards Subject to Single Audit Determination | | | | $ (509,672) | $ 2,515,146 | $ (2,364,692) | $ - | $ (237,635) | $ - | $ (121,583) | $ (2,165,655) |

See accompanying notes to schedules of expenditures.

Fair Haven Board of Education

Notes to the Schedules 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 Fair Haven 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 General Purpose Financial Statements

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 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

Fair Haven Board of Education

Notes to the Schedules 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 $54,111 for the general fund and $(112,203) 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:

| | Federal | State | Total |
|---|---|---|---|
| General Fund | $ - | $ 3,010,120 | $ 3,010,120 |
| Special Revenue Fund | 442,650 | 22,591 | 465,241 |
| Capital Projects Fund | - | (193,875) | (193,875) |
| Debt Service Fund | - | 152,778 | 152,778 |
| Food Service Fund | 5,746 | 666 | 6,412 |
| Total awards and financial assistance | $ 448,396 | $ 2,992,280 | $ 3,440,676 |

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.

Fair Haven Board of Education

Schedule of Findings and Questioned Costs

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:
Unmodified Opinion

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section .516(a) of the Uniform Guidance? ____yes _X_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

Fair Haven Board of Education

Schedule of Findings and Questioned Costs (continued)

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 ____ 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 |

Fair Haven Board of Education

Schedule of Findings and Questioned Costs (continued)

June 30, 2025

Section II – Financial Statement Findings - None

Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs - None

Fair Haven Board of Education

Summary Schedule of Prior Year Audit Findings

June 30, 2025

Summary Schedule of Prior Year Audit Findings - None