HAMPTON TOWNSHIP

SCHOOL DISTRICT

Hampton Township School District
Board of Education
Hampton, Sussex County
New Jersey

Annual Comprehensive Financial Report
For The Fiscal Year Ended June 30, 2025

Annual Comprehensive

Financial Report

of the

Hampton Township School District
Board of Education
Hampton, New Jersey
For the Fiscal Year Ending June 30, 2025

Prepared by
Hampton Township School District
Board of Education
Finance Department

OUTLINE OF ACFR

INTRODUCTORY SECTION

		Page
	Letter of Transmittal	1
	Organizational Chart	2
	Roster of Officials	3
	Consultants and Advisors	4

FINANCIAL SECTION

	Independent Auditor's Report	7-9
	Required Supplementary Information – Part I	
	Management's Discussion and Analysis	11-18
	Basic Financial Statements	
A.	District-Wide Financial Statements:	
	A-1 Statement of Net Position	21
	A-2 Statement of Activities	22
B.	Fund Financial Statements:	
	Governmental Funds:	
	B-1 Balance Sheet	24
	B-2 Statement of Revenues, Expenditures and Changes in Fund Balance	25
	B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	26
	Proprietary Funds:	
	B-4 Statement of Net Position	27
	B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	28
	B-6 Statement of Cash Flows	29
	Fiduciary Funds:	
	B-7 Statement of Fiduciary Net Position	N/A
	B-8 Statement of Changes in Fiduciary Net Position	N/A
	Notes to the Financial Statements	31-58
	Required Supplementary Information – Part II	
C.	Budgetary Comparison Schedules:	
	C-1 Budgetary Comparison Schedule - General Fund	61-69
	C1a Combining Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	N/A
	C-1b Community Block Development Grant (CDBG) – Budget and Actual	N/A
	C-2 Budgetary Comparison Schedule - Special Revenue Fund	70
	Notes to Required Supplementary Information - Part II	
	C-3 Budget-to-GAAP Reconciliation	71

OUTLINE OF ACFR

			Page
	Required Supplementary Information – Part III		
L.	Schedules Related to Accounting and Reporting for Pensions (GASB 68)		
	L-1/L-.	Schedule of the District's Proportionate Share of the Net Pension Liability	72
	L-2	Schedule of District Contributions	73
M.	Schedules Related to Accounting and Reporting for OPEB (GASB 75)		
	M-1	Schedule of Changes in the State's Total OPEB Liability and Related Ratios (TPAF and PERS)	74
	Notes to Required Supplementary Information - Part III		75
	Other Supplementary Information		
D.	School Level Schedules:		
	D-1	Combining Balance Sheet	N/A
	D-2	Blended Resource Fund – Schedule of Expenditures Allocated by Resource Type – Actual	N/A
	D-3	Blended Resource Fund – Schedule of Blended Expenditures – Budget and Actual	N/A
E.	Special Revenue Fund:		
	E-1	Combining Schedule of Program Revenues and Expenditures, Special Revenue Fund – Budgetary Basis	78-79
	E-2	Schedule(s) of Preschool Education Aid Expenditures – Preschool-All Programs- Budgetary Basis	80
F.	Capital Projects Fund:		
	F-1	Summary Schedule of Project Expenditures	82
	F-2	Summary Schedule of Revenues and Expenditures	83
	F-2a	Schedule of Project Revenues and Expenditures-Project Detail	84
G.	Proprietary Funds		
	Enterprise Fund:		
	G-1	Combining Statement of Net Position	See B-4
	G-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position	See B-5
	G-3	Combining Statement of Cash Flows	See B-6
	Internal Service Fund:		
	G-4	Combining Statement of Net Position	N/A
	G-5	Combining Statement of Revenues, Expenses and Changes in Fund Net Position	N/A
	G-6	Combining Statement of Cash Flows	N/A

Other Supplementary Information -(Continued) Page

H. Fiduciary Funds:
- H-1 Combining Statement of Fiduciary Net Position N/A
- H-2 Combining Statement of Changes in Fiduciary Net Position N/A

I. Long-Term Debt:
- I-1 Schedule of Serial Bonds N/A
- I-2 Schedule of Obligations Under Capital Leases N/A
- I-3 Budgetary Comparison Schedule Debt Service Fund N/A

STATISTICAL SECTION (Unaudited)

Page

Introduction to the Statistical Section

Financial Trends
- J-1 Net Position by Component 89
- J-2 Changes in Net Position 90-91
- J-3 Fund Balances - Governmental Funds 92
- J-4 Changes in Fund Balances - Governmental Funds 93
- J-5 General Fund Other Local Revenue by Source 94

Revenue Capacity
- J-6 Assessed Value and Estimated Actual Value of Taxable Property 95
- J-7 Direct and Overlapping Property Tax Rates 96
- J-8 Principal Property Taxpayers 97
- J-9 Property Tax Levies and Collections 98

Debt Capacity
- J-10 Ratios of Outstanding Debt by Type 99
- J-11 Ratios of General Bonded Debt Outstanding 100
- J-12 Direct and Overlapping Governmental Activities Debt 101
- J-13 Legal Debt Margin Information 102

Demographic and Economic Information
- J-14 Demographic and Economic Statistics 103
- J-15 Principal Employers 104

Operating Information
- J-16 Full-time Equivalent District Employees by Function/Program 105
- J-17 Operating Statistics 106
- J-18 School Building Information 107
- J-19 Schedule of Required Maintenance Expenditures by School Facility 108
- J-20 Insurance Schedule 109

OUTLINE OF ACFR

SINGLE AUDIT SECTION

		Page
K-1	Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*	111-112
K-2	Report on Compliance For Each Major Program and Report on Internal Control Over Compliance Required by New Jersey OMB's circular 15-08	113-115
K-3	Schedule of Expenditures of Federal Awards, Schedule A	116
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	117
K-5	Notes to the Schedules of Awards and Financial Assistance	118-119
K-6	Schedule of Findings and Questioned Costs	120-122
K-7	Summary Schedule of Prior Audit Findings	123

Introductory Section

Hampton Township School District

Marian Emmons McKeown Elementary School
One School Road
Newton, New Jersey 07860-6733
(973) 383-5300 * Fax (973) 383-3835

Dr. Craig M. Hutcheson
Superintendent

Dr. Janet Goodwin
Principal

Mr. Brandt Anderson
Assistant Principal

Ms. Kate Fedge
Business Administrator/
Board Secretary

November 3, 2025

The Honorable President and Members
of the Board of Education
Hampton Township School District

Dear Honorable President and Board Members:

The Annual Comprehensive Financial Report of the Hampton Township School District (the "District") for 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 Hampton Township Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Annual Comprehensive Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditor's Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected economic and demographic information, financial trends and the fiscal capacity of the District, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-i33, Audits of States, Local Governments and Nonprofit Organizations, and New Jersey's OMB Circular NJOMB 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditors' report on the internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

Hampton Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Hampton Township Board of Education and the McKeown Elementary School constitute the District's reporting entity. The District is an elementary school district housing students from preschool through grade six. The Hampton Township School District provides a full array of services for students in the regular education classes as well as a special education population. The School District average daily enrollment for the 2024-2025 year was 334 students which represents a 5% increase of enrolled students from the prior year. This increase is attributed to the addition of a third preschool classroom under the Preschool Expansion Aid program. This is the third year in a row with an increase to our student enrollment.

The following details the changes in the student enrollment of the District over the last five years:

Fiscal Year	Average Daily Student Enrollment	Change
2024-2025	334	5.03%
2023-2024	318	0.90%
2022-2023	315	5.00%
2021-2022	300	-3.80%
2020-2021	312	-2.80%

The students attending McKeown Elementary School continue to enjoy the benefits derived from a mix of Federal, State, and Local funds. Local taxpayers continue to financially support their neighborhood elementary school to a much larger degree than the return seen from state and federal revenues. Students between the ages of 3 to 12 enjoy a variety of educational opportunities ranging from classroom instruction in reading, writing, spelling, mathematics, science, social studies, art, vocal music, instrumental music, library science classes, physical education, health, enrichment, and STEM/applied technology. In recent years, the groundwork and curriculum was revised to introduce a new enrichment/gifted & talented program which was a Region wide effort to collaborate and articulate the program with other regional school districts. Students who are educationally challenged, or are determined to be at-risk, are provided individual or small group instruction in all subject areas, including an emphasis on programs through resource rooms and inclusion. We have implemented classroom push-in of basic skills and each teacher and unit has had the opportunity to dialogue about the process and classroom instruction for this program adjustment. We have many staff members trained in reading intervention and Orton GIllingham teaching practices. We are discipline specific and departmentalized from grade three through six. Some of our students are provided instruction through our developed autism program, our on-going speech training, physical and occupational therapy as well as opportunities in full inclusion programs. We will begin the 2025-2026 school year with some transitional classes as we continue to increase preschool classrooms and add additional kindergarten and special education classrooms to meet the needs of our diversified student population. We will start the year with 3 kindergarten sections and new this year is a fourth preschool section located at Rainbows of Learning. We continue to market the preschool opportunity to our community and surrounding areas.

Our instructional and support staff under the support and encouragement of the Hampton Township Board of Education, offer students a host of after school clubs, and activities designed to improve and nurture the growing mind. In most years, COVID-19 years excluded, students may select from the Friendship club, the Yearbook club, the Ski club, Project Seek, Sign Language club, Robotics, Drama club, School Newspaper club as well as after-school tutoring classes.

2. ECONOMIC CONDITION AND OUTLOOK:

The Township of Hampton continues to be one of the finest managed communities in Sussex County. Although fiscally challenged like so many other communities in Sussex County, the Township Committee and Township Administrator have set forth a plan that allows for controlled growth in both the residential and commercial sectors. While the residential area lies behind and separate from the commercial component, the two are within easy traveling distance. Much of the commercial growth for the foreseeable future is still at a slow down, but is making positive progress and we experience an upshift in the economic times. It continues to be our hope that the economy will continue to grow in a positive and controlled manner and we will be able to experience increasing our commercial ratables in the near future.

As in the past, large tracts of undeveloped land have been examined for the most effective use of open space. Several parcels have been added to the list of Farmland Preservation Lands with the use of state funding. These large tracts will assist in controlling the community growth. Further growth of the township will be carefully monitored. Over the last few years, the Hampton Township School District has had a steady or slowly increasing student enrollment. The average class size for the 2025-2026 school year is currently approximately 17-18 students per section with grade 5 grade 3 and Kindergarten having a split 3rd section of students due to the size of the class. The overall student enrollment for the current school year is 355 students. The Administration of the Hampton Township School District and the Hampton Board of Education continues to monitor the student population numbers as well as the number of special needs students in order to address any staffing recommendations arising from these changes.

3. MAJOR INITIATIVES:

The Hampton Township School District is a "High Performing" school district with a district wide mission that emphasizes student growth and development on an individual level. Effective January 15, 2014 the Hampton Township Board of Education and Kittatinny Regional High School entered into an interlocal agreement sharing the services of the Superintendent. This Agreement continues to provide cost savings opportunities to the district and to develop a more comprehensive Kindergarten to 12th grade education program for the students.

During the 2024-2025 school year, the Hampton Township School District personnel and curriculum consultants continued to work in conjunction with the other Kittatinny Regional sending districts, to complete a review of the new Math program, included PD for the ELA program and reviews of revisions to the New Jersey Student Learning Standards, inclusive of the Next Generation Science Standards for grades Pre K- 12 and revised New Jersey Student Learning Standards and curriculum in Performing Arts and Visual Arts along with standard updates in the areas or Language Arts and Math and all other curricular areas in grades Pre-K through 8th. In addition this school year, 2024-2025, we will be implementing the 2022 new New Jersey Student Learning Standards for English Language Arts and for Mathematics with continued PD events for our staff. Representatives from the four elementary schools and from the seventh and eighth grades of KRHS came together to develop the new curricula. Each new curriculum contains a common lesson plan model and for the second time we have employed a complete professional development model for teachers so that they are well versed in the new curricular materials. Each unit uses UBD design and includes an "Essential Question" format for each lesson. We have developed a new format for curriculum revision and development by organizing each employee into a regional curriculum teams. Each team meets a number of times each year to review any curriculum changes from the NJ DOE and if changes are needed, teams will make the adjustments to the grade level curriculum guides. We will also have these teams completely revamp curriculum during major revisions. Curriculum development and revision will shift from a 5 year plan to an annual updated and revised plan with our new process and procedures.

Major initiatives for the 2025-2026 school year will include a further incorporating the STEM and equity curriculum into the everyday aspects of all discipline areas. We have opened up a number of new software platforms to assist our teachers to accommodate both in-person and remote learners. We will currently re-institute our stand alone STEM initiative which allows students an expanded experience of 21st Century Technology Skills in a real life setting. We continue to complete the transition to the new educational support platform in the use of Google Application for Classrooms and Educators. We will continue to offer Professional Development in the areas of Google classroom. We will also increase our use of Realtime as the Student SIS for our school as we transition our conference scheduling to this platform along with sampling its reverse 911 calling system. We have launched a 1 to 1 technology initiative for all grade levels to accommodate virtual learning and now the technology based academic program from grades K - 6. Each child has been assigned an individual Chromebook for use in every class they attend each day. We are focusing on greening our campus by utilizing a digital report card accessible to parents through our Realtime SIS software There will be a limited need for paper copies of the report card as we move forward. We are looking forward to strengthening our already strong math scores in the state testing program along with assessing our new initiatives throughout the school year combined with PD. We are utilizing many different online software resources for our teachers ranging from Raz Kids to Literably and a new investment in Renaissance Learning Star testing platform which will replace NWEA Maps to help us assess student strengths based on the NJ SLS standards and align with the new Envision Math program. We will utilize the supplement to assess student strengths and weaknesses and allow us to have additional data for MTSS. Renaissance will continue to help us benchmark student progress multiple times throughout the school year and new for this year is the use of this program to track and follow the successes of our after school tutoring program. We will continue to focus on our STEM initiative, our Gifted and Talented and IEP programs throughout the year. We are encouraged by our progress in technology, but will need to continue to invest in our infrastructure to support our 21st Century technology based learners.

4. INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting

principles (GAAP). The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management. As a recipient of federal awards and state awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulation related to those programs. The internal control system is also subject to evaluation by the District's management. In the 2024-2025 year, we continue to have a three-person screening procedure for all expenditures, as per the directive from the superintendent. Each administrator will review the expenditure and will sign off for final approval by the business administrator. This review process allows the district to account for all district expenditures with the proper checks and balances.

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

5. BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as fund balance restrictions, commitments and assignments as of June 30, 2025.

6. ACCOUNTING SYSTEM AND REPORTS:

The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in "Notes to the Basic Financial Statements" Note 1.

7. DEBT ADMINISTRATION:

As of June 30, 2025, the District has no outstanding debt.

8. CASH MANAGEMENT:

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

9. RISK MANAGEMENT:

The Board carries various forms of insurance, including but not limited to general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, contents, and fidelity bonds. The Board oversees Risk Management for the District. A schedule of insurance coverage is found in J-20.

10. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ardito and Company, LLC, CPAs was selected by the Board's audit committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations, and New Jersey's OMB Circular NJOMB 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditors' report on the basic financial statements and

specific required supplementary information is included in the financial section of this report. The auditors' report related specifically to the single audit are included in the single audit section of this report.

11. **ACKNOWLEDGEMENTS:**

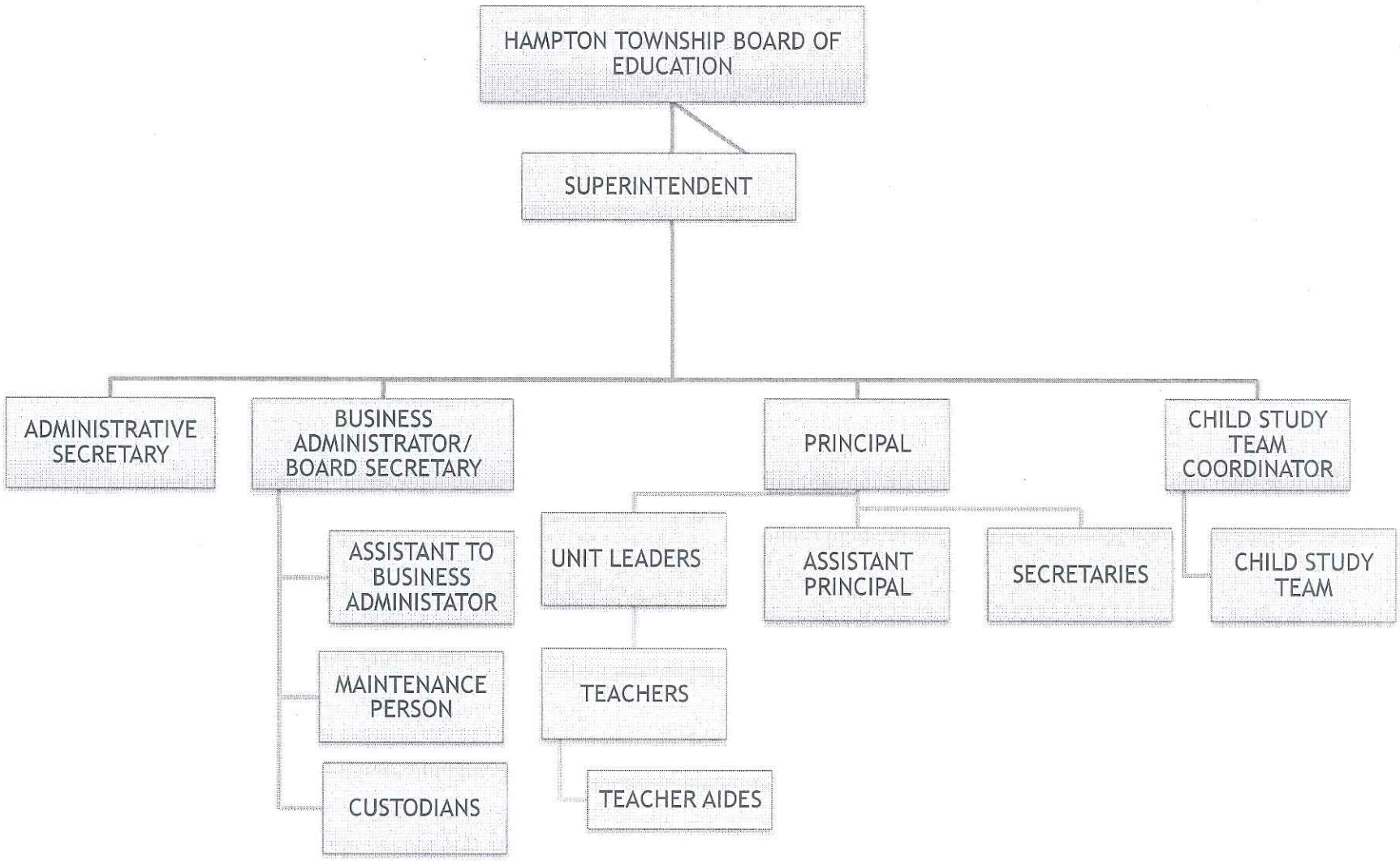
We would like to express our appreciation to the members of the Hampton Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial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

Respectfully Submitted,

Dr. Craig Hutcheson
Superintendent

Ms. Kate Fedge
School Business Administrator/
Board Secretary

Hampton Twp BOE
Newton, NJ



Hampton Township School District
BOARD OF EDUCATION

ROSTER OF OFFICIALS

June 30, 2025

Members of the Board of Education	Term Expires
Joseph Santora, President	2026
Jeffrey W. Orosz, Vice President	2025
Joyce Anderson	2027
Susan Knoll	2026
Andrea Chletsos	2027
Ellyn DeCaro	2027
Anna Hackelberg	2026
Allison Holdt	2025
John Nelson	2025

Other Officials

Craig Hutcheson, Superintendent

Kate Fedge, Board Secretary/School Business Administrator

René Metzgar, Treasurer

Cherie Adams, Attorney

Hampton Township School District
BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

ATTORNEY

Adams, Lattibouiderre, Croot & Herman
555 Route 1 South, Suite 240
Iselin, New Jersey 08830

AUDIT FIRM

Ardito & Company LLC
1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825

OFFICIAL DEPOSITORIES

Lakeland Bank
11 Hampton House Road
Newton, New Jersey 07860

Financial Section

Independent Auditor's Report

ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Hampton Township School District
County of Sussex
Newton, New Jersey 07860

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hampton Township School District Board of Education, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Hampton Township School District Board of Education, 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 (GAAS), the standards applicable to financial audits contained in ***Government Auditing Standards***, issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Hampton Township School District 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 the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

-Continued-

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 GAAS, ***Government Auditing Standards*** and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, ***Government Auditing Standards*** and audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, we:

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

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 pension and post-employment benefit trend information as noted in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Hampton Township School District Board of Education's basic financial statements. The combining and individual non-

-Continued-

major fund financial statements, and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the 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 November 3, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with ***Government Auditing Standards*** the District's internal control over financial reporting and compliance.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey
November 3, 2025

Anthony Ardito

Anthony Ardito
Certified Public Accountant
Licensed Public School Accountant No. 2369
ARDITO & COMPANY LLC
Frenchtown, New Jersey
November 3, 2025

Required Supplementary Information - Part I

Management's Discussion and Analysis

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

Financial Highlights

Key financial highlights for 2025 are as follows:

- In total, Net Position increased $974,715 which represents a 14.7% increase from 2024.
- General revenues accounted for $7,513,267 in revenue or 71.1% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for $2,577,910 or 28.9% of total revenues of $10,091,177.
- Total assets of governmental activities increased by $1,004,576, as cash and cash equivalents increased by $334,087, receivables increased by $381,585, and capital assets increased by $280,712.
- The School District had $9,116,462 in expenses; only $2,577,910 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of $7,513,267 were available to provide for these programs.
- Among major funds, the General Fund had $9,751,390 in revenues and $8,905,113 in expenditures. The General Fund's surplus balance decreased $409,723 over 2024, which compares favorably to the budgeted decrease of $1,319,973.

Using this Generally Accepted Accounting Principals Report (GAAP)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand HamptonTownship School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of HamptonTownship School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

- Governmental activities--All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

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

Governmental Funds

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

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's Net Position for 2025 compared to 2024.

Table 1
Net Position

	2025	2024
Assets		
Current and Other Assets	$ 4,454,153	$ 3,730,289
Capital Assets	4,192,264	3,911,552
Total Assets	8,646,417	7,641,841
Deferred Outflows of Resources	118,651	143,595
Liabilities		
Long-Term Liabilities	826,015	940,089
Other Liabilities	221,194	142,395
Total Liabilities	1,047,209	1,082,484
Deferred Inflows of Resources	118,736	78,544
Net Position		
Invested in Capital Assets, Net of Debt	4,192,264	3,911,552
Restricted	3,063,934	3,210,689
Unrestricted	342,925	(497,833)
Total Net Position	$ 7,599,123	$ 6,624,408

Total assets of governmental activities increased by $1,004,576, as cash and cash equivalents increased by $334,087, receivables increased by $381,585, and capital assets increased by $280,712.

The cash increased due to non-budget miscellaneous revenue, receivables increased due to spending on state SDA grants in advance of reimbursement, and capital asset increased was due to capital improvements, net of depreciation expense.

Table 2 shows the changes in Net Position from fiscal year 2024.

Table 2
Changes in Net Position

	2025	2024
Revenues		
Program Revenues:		
Charges for Services	$ 239,943	$ 199,309
Operating Grants and Contributions	2,337,967	1,778,777
General Revenues:		
Property Taxes	7,014,449	6,630,549
Federal & State Aid on Capital Asset Projects	342,400	-
Investment Earnings	128,237	130856
Other	28,181	25,875
Total Revenues	10,091,177	8,765,366
Program Expenses		
Instruction	4,818,026	4,619,645
Support Services:		
Tuition	140,813	88,357
Pupils and Instructional Staff	1,879,606	1,580,107
General Administration, School Administration, Business	841,340	850,458
Operations and Maintenance of Facilities	860,572	776,605
Pupil Transportation	423,721	443,375
Business-Type Activities	152,384	123,714
Total Expenses	9,116,462	8,482,261
Increase in Net Position	$ 974,715	$ 283,105

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 69.5% percent of revenues for governmental activities for the HamptonTownship School District for the fiscal year 2025.

Instruction comprises 52.8% of district expenses. Support services expenses make up 45.5% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services compared to 2024. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	Total Cost of Services 2025	Net Cost of Services 2025	Total Cost of Services 2024	Net Cost of Services 2024
Instruction	$ 4,818,026	$ 3,516,393	$ 4,619,645	$ 3,615,801
Support Services:				
Tuition	140,813	119,808	88,357	73,673
Pupils and Instructional Staff	1,879,606	1,088,355	1,580,107	1,083,333
General Admin., School Admin., Business	841,340	715,840	850,458	709,120
Operation and Maintenance of Facilities	860,572	732,203	776,605	647,541
Pupil Transportation	423,721	360,516	443,375	369,690
Business-Type Activities	152,384	5,437	123,714	5,017
Total Expenses	$ 9,116,462	$ 6,538,552	$ 8,482,261	$ 6,504,175

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

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

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, as well as to and from school activities, as provided by state law.

Business-type activities includes expenses related to activities provided by the School District which are designed to provide for students to participate in food service.

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

The dependence upon tax revenues is apparent. Over 73.0% of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is 72.8%. The community, as a whole, is the primary support for the HamptonTownship School District.

The School District's Funds

Information about the School District's major funds starts on page 24. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other scources of $11,066,752 and expenditures of $10,423,857. The General Fund's surplus balance decreased $409,723 over 2024, which compares favorably to the budgeted decrease of $1,319,973.

General Fund Budgeting Highlights

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

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

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf payments, was $8,157,083, $336,430 over original budgeted estimates of $7,820,653. This difference was due primarily to an increases in miscellaneous revenues of mainly interest earnings, tuition revenues, and extraordinary aid.

General fund revenues fell short of expenditures by $395,375. Again this deficit compares to a budgeted deficit of $1,319,973, which was due to the budgeted use of surplus needed to balance the 2024-2025 budget. The budgeted deficit was reduced due to revenue increases as noted above and cost savings in the areas of instruction, support services, plant operations and maintenance, and transportation.

Overall general fund balance (budget basis) was $3,133,952, and amounts ear-marked and reserved for future purposes were $2,736,407, creating a surplus in unreserved statutory fund balance of $397,545. Management believes unreserved fund balance at statutory levels will provide adequate working capital for the district.

Capital Assets

At the end of the fiscal year 2025, the School District had $4,155,876 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2025 balances compared to 2024.

Table 4
Capital Assets (Net of Depreciation) at June 30,

	2025	2024
Land	$ 1,558,800	$ 1,558,800
Land Improvements	-	-
Buildings and Improvements	2,428,561	2,188,761
Machinery and Equipment	168,515	121,719
Totals	$ 4,155,876	$ 3,869,280

Overall capital assets increased $286,596 from fiscal year 2024 to fiscal year 2025. The increase in capital assets was due to capital improvements, net of depreciation expense for the year.

Capital improvements of $744,551 were purchased during fiscal year 2025 and are mainly costs assiciated with phase 2 HVAC renovations, maintenance vehicles, basketball court renovations, playground equipment, and educational equipment.

Debt Administration

At June 30, 2025, the School District had $86,018 as outstanding long term debt. Of this amount, $86,018 is for compensated absences.

At June 30, 2025, the School District’s overall legal debt margin was $22,325,291 and the unvoted debt margin was the same.

For the Future

The Hampton Township School District is in very good financial condition presently. A major concern is the increased reliance on local property taxes with future possible decreases in state funding.

In conclusion, the Hampton Township School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact the School Business Administrator/Board Secretary at Hampton Township School District, 1 School Road, Newton, NJ 07860.

Basic Financial Statements

DISTRICT-WIDE FINANCIAL STATEMENTS

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

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit A-1

STATEMENT OF NET POSITION

June 30, 2025

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Cash Equivalents	$ 1,935,221	$ 64,549	$ 1,999,770
Receivables, Net	597,878	2,441	600,319
Inventory		5,688	5,688
Restricted Assets:			
Capital Reserve Account - Cash	1,579,666		1,579,666
Maintenance Reserve Account - Cash	268,710		268,710
Capital Assets, Net (Note 5):	4,176,621	15,643	4,192,264
Total Assets	8,558,096	88,321	8,646,417
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows	118,651		118,651
LIABILITIES			
Accounts Payable	13,798	5,545	19,343
Payroll Deductions and Withholdings Payable	22,652		22,652
Unemployment Compensation Claims Payable	39,238		39,238
Payable to State Government	18,544		18,544
Unearned Revenue	118,038	3,379	121,417
Net Pension Liability (Note 8)	739,997		739,997
Noncurrent Liabilities (Note 6):			
Due Beyond One Year	86,018		86,018
Total Liabilities	1,038,285	8,924	1,047,209
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows	118,736		118,736
NET POSITION			
Invested in Capital Assets, Net of Related Debt	4,176,621	15,643	4,192,264
Restricted for:			
Capital Reserve Account	1,579,666		1,579,666
Maintenance Reserve Account	268,710		268,710
Other Purposes	1,215,558		1,215,558
Unrestricted	279,171	63,754	342,925
Total Net Position	**$ 7,519,726**	**$ 79,397**	**$ 7,599,123**

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

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit A-2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

		PROGRAM REVENUES			NET(EXPENSE) REVENUE AND CHANGES IN NET POSITION		
Functions/Programs	**EXPENSES**	**CHARGES FOR SERVICES**	**OPERATING GRANTS AND CONTRIBUTIONS**	**CAPITAL GRANTS AND CONTRIBUTIONS**	**GOVERNMENTAL ACTIVITIES**	**BUSINESS-TYPE ACTIVITIES**	**TOTAL**
Governmental Activities:							
Instruction:							
Regular	$ 3,723,103	$ 146,096	$ 992,212		$ (2,584,795)		$ (2,584,795)
Special Education	1,064,860		158,841		(906,019)		(906,019)
Other Special Instruction	30,063		4,484		(25,579)		(25,579)
Support Services:							
Tuition	140,813		21,005		(119,808)		(119,808)
Student & Instruction Related Services	1,879,606	22,812	768,439		(1,088,355)		(1,088,355)
School Administrative Services	313,573		46,775		(266,798)		(266,798)
General and Business Admin. Services	527,767		78,725		(449,042)		(449,042)
Plant Operations and Maintenance	860,572		128,369		(732,203)		(732,203)
Pupil Transportation	423,721		63,205		(360,516)		(360,516)
Total Governmental Activities	8,964,078	168,908	2,262,055		(6,533,115)		(6,533,115)
Business-Type Activities:							
Food Service	152,384	$ 71,035	75,912			$ (5,437)	(5,437)
Total Business-Type Activities	152,384	71,035	75,912	-	-	(5,437)	(5,437)
Total Primary Government	**$ 9,116,462**	**$ 239,943**	**$ 2,337,967**		**$ (6,533,115)**	**$ (5,437)**	**$ (6,538,552)**
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes,Net					$ 7,014,449		$ 7,014,449
Federal and State Aid on Capital Projects					342,400		342,400
Investment Earnings					125,845	2,392	128,237
Miscellaneous Income					28,181		28,181
Transfers					-	-	
Total General Revenues, Special Items, Extraordinary Items and Transfers					7,510,875	2,392	7,513,267
Change in Net Position					977,760	(3,045)	974,715
Net Position—Beginning					6,541,966	82,442	6,624,408
Net Position—Ending					**$ 7,519,726**	**$ 79,397**	**$ 7,599,123**

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

FUND FINANCIAL STATEMENTS

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

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit B-1

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2025

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents	$ 2,949,441	$ 57,480	$ 776,676	$ 3,783,597
Interfund Receivables	37,234			37,234
Other Accounts Receivable	5,750			5,750
Receivables from Other Governments	158,944	90,784	342,400	592,128
TOTAL ASSETS	$ 3,151,369	$ 148,264	$ 1,119,076	$ 4,418,709
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	$ 13,548	$ 250		$ 13,798
Payroll Deductions and Withholdings Payable	22,652			22,652
Unemployment Compensation Claims Payable	39,238			39,238
Payable to State Government		18,544		18,544
Interfund Payable	14,000	23,234		37,234
Deferred Revenue		118,038		118,038
Total Liabilities	89,438	160,066	-	249,504
Fund Balances:				
Restricted for:				
Capital Reserve Account	$ 1,579,666			$ 1,579,666
Maintenance Reserve	268,710			268,710
Excess Surplus	280,000			280,000
Excess Surplus - Designated for Subsequent Year's Expenditures	300,000			300,000
Unemployment Compensation	134,336			134,336
Scholarships		10,267		10,267
Student Activities		47,213		47,213
Assigned to:				
General Fund - Designated for Subsequent Year's Expenditures	91,105			91,105
Year-End Encumbrances	82,590		$ 766,439	849,029
Capital Projects Fund			352,637	352,637
Unassigned:				
General Fund	325,524			325,524
Special Revenue Fund		(69,282)		(69,282)
Total Fund Balances	3,061,931	(11,802)	1,119,076	4,169,205
TOTAL LIABILITIES AND FUND BALANCE	$ 3,151,369	$ 148,264	$ 1,119,076	$ 4,418,709

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $9,065,356 and the accumulated depreciation is $5,174,662.	$4,176,621
Deferred Outflows related to pension contributions subsequent to the Net Pension Liablity measurement date are not current financial resources and therefore are not report in the fund statements. (See Note 8)	118,651
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns are not reported as liabilities in the fund statements. (See Note 8)	(118,736)
Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilties in the funds (see Note 8)	(739,997)
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 6)	(86,018)
Net Position of governmental activities	$ 7,519,726

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

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit B-2

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local sources:				
Local Tax Levy	$ 7,014,449			$ 7,014,449
Tuition	146,096			146,096
Miscellaneous	128,789	$ 48,049		176,838
Total - Local Sources	7,289,334	48,049	-	7,337,383
State Sources	2,462,056	704,832	$ 342,400	3,509,288
Federal Sources		220,081		220,081
Total Revenues	9,751,390	972,962	342,400	11,066,752
EXPENDITURES				
Current:				
Regular Instruction	2,665,364	444,737		3,110,101
Special Education Instruction	969,973			969,973
Other Special Instruction	27,384			27,384
School Sponsored Other Instruction				-
Support services and undistributed costs:				
Tuition	140,813			140,813
Student and Instruction Related Services	1,215,954	488,064		1,704,018
School Administrative Services	274,316			274,316
Other Administrative Services	468,098			468,098
Plant Operations and Maintenance	619,511			619,511
Pupil Transportation	423,721			423,721
Unallocated Benefits	1,925,698			1,925,698
Transfer to Charter School	15,672			15,672
Capital Outlay	158,609	106,619	479,324	744,552
Total Expenditures	8,905,113	1,039,420	479,324	10,423,857
Excess (Deficiency) of Revenues Over Expenditures	846,277	(66,458)	(136,924)	642,895
OTHER FINANCING SOURCES (USES)				
Transfers - Capital Fund	(1,256,000)		1,256,000	-
Total Other Financing Sources and Uses	(1,256,000)	-	1,256,000	-
Net Change in Fund Balances	(409,723)	(66,458)	1,119,076	642,895
Fund Balance—July 1	3,471,654	54,656	-	3,526,310
Fund Balance—June 30	$ 3,061,931	$ (11,802)	$1,119,076	$ 4,169,205

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

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit B-3

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)		$ 642,895
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	$ (458,624)	
Capital Outlays	744,551	285,927
Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administravtive costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.		67,997
In the statement of activities, compensated absences is accrued regardless of when paid. In the governmental funds, compensated absences are reported when paid. This amount is the amount by which the current year's compensated absence payments exceed the current year's amount earned.		(19,059)
Change in Net Position of Governmental Activities		$ 977,760

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

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit B-4

STATEMENT OF PROPRIETARY NET POSITION
PROPRIETARY FUNDS

June 30, 2025

	Business-Type Activities - Enterprise Funds	
	Food Service	Totals
ASSETS		
Current assets:		
Cash and Cash Equivalents	$ 64,549	$ 64,549
Accounts Receivable	2,441	2,441
Interfund Receivables	-	-
Inventories	5,688	5,688
Total Current Assets	72,678	72,678
Noncurrent Assets:		
Furniture, Machinery and Equipment	34,899	34,899
Less Accumulated Depreciation	(19,256)	(19,256)
Total Noncurrent Assets	15,643	15,643
Total Assets	**88,321**	**88,321**
LIABILITIES		
Current liabilities:		
Accounts Payable	5,545	5,545
Deferred Revenue	3,379	3,379
Total Current Liabilities	8,924	8,924
Total Liabilities	**8,924**	**8,924**
NET POSITION		
Invested in Capital Assets Net of Related Debt	15,643	15,643
Unrestricted	63,754	63,754
Total Net Position	$ 79,397	$ 79,397

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

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit B-5

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	**Total Enterprise**
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	$ 53,266	$ 53,266
Daily Sales - Non-Reimb. Programs	17,769	17,769
Miscelleaneous	2,392	2,392
Total Operating Revenues	73,427	73,427
Operating Expenses:		
Cost of Sales - Reimbursable Programs	43,358	43,358
Cost of Sales - Non-reimbursable Programs	11,905	11,905
Salaries	36,394	36,394
Employee Benefits	12,439	12,439
Supplies	12,355	12,355
Maintenance	13,671	13,671
Other Purchased Professional Services	11,000	11,000
Miscellaneous	6,047	6,047
Depreciation	5,215	5,215
Total Operating Expenses	152,384	152,384
Operating Income (Loss)	(78,957)	(78,957)
Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	3,408	3,408
Federal Sources:		
National School Lunch Program	36,266	36,266
School Breakfast Program	3,124	3,124
School Equipment	20,000	20,000
P-EBT Administrative Cost Reimbursement	643	643
Local Food for Schools Cooperative Agreement Program	839	839
Food Distribution Program	11,632	11,632
Total Nonoperating Revenues (Expenses)	75,912	75,912
Income (Loss) Before Contributions and Transfers	(3,045)	(3,045)
Transfers In (Out)	-	-
Change in Net Position	(3,045)	(3,045)
Total Net Position—Beginning	82,442	82,442
Total Net Position—Ending	$ 79,397	$ 79,397

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

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit B-6

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	$ 71,035	$ 71,035
Payments to Employees	(36,394)	(36,394)
Payments for Employee Benefits	(12,439)	(12,439)
Payments to Suppliers	(78,492)	(78,492)
Net Cash Provided by (used for) Operating Activities	(56,290)	(56,290)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers from Other Funds	-	-
State Sources	3,293	3,293
Federal Sources	59,488	59,488
Net Cash Provided by (used for) Non-Capital Financing Activities	62,781	62,781
Net Increase (Decrease) in Cash and Cash Equivalents	6,491	6,491
Balances—Beginning of Year	58,058	58,058
Balances—End of Year	$ 64,549	$ 64,549
Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:		
Operating Income (Loss)	$ (78,957)	$ (78,957)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:		
Depreciation and Net Amortization	5,215	5,215
Federal Commodities	11,632	11,632
(Increase) Decrease in Accounts Receivable, Net		
(Increase) Decrease in Inventories	172	172
Increase (Decrease) in Accounts Payable	5,648	5,648
Total Adjustments	22,667	22,667
Net Cash Provided by (used for) Operating Activities	$ (56,290)	$ (56,290)

The accompanying Notes to Basic Financial Statements are an integral part of this statem

Notes to Financial Statements

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of the Hampton Township School District (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.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement No.34). This Statement provided for the most significant change in financial reporting in over twenty years and was phased-in (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments). The District was not required to implement the new model until the 2003-2004 school year.

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the ACFR, GASB Statement No. 45, Other Post-retirement Employee Benefits, GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and GASB No. 63 and 65, Deferred Outflows and Inflows and Net Position, and Items Previously Reported as Assets and Liablities, GASB No. 68, Accounting for Pensions, an amendment of GASB No. 27, GASB No. 75, Accounting for OPEB, GASB 84, Fiduciary Activities, GASB 87, Leases, GASB 96, Subscriptions, GASB 98, Annual Comprehensive Financial Report, GASB 100, Accounting Changes and Error Corrections, and GASB 101, Compensated Absences. The implementation of these statements did not effect net position balances as previously reported for the fiscal year ended June 30, 2024.

A. Reporting Entity:

The Hampton Township School District is a Type II district located in the County of Sussex, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of five members elected to three-year terms. The purpose of the district is to educate students in grades K-6. The Hampton Township School District had an approximate enrollment at June 30, 2025, of 343 students.

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

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

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting:

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

Basis of Presentation

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

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

GOVERNMENTAL FUNDS

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 expendable financial resources except those required to be accounted for in another fund, including payroll agency and unemployment compensation accounts. Also included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

GOVERNMENTAL FUNDS (Continued)

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

PROPRIETARY FUNDS

The District reports the following proprietary fund:

Enterprise (Food Service) Fund - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the 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.

Additionally, the District reports the following fund type:

Fiduciary Funds - Fiduciary funds are defined by GASB No. 84 as four funds. (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. The district does not accouont for these types of funds.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

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 use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey 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". Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on 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.

All governmental and business-type activities and enterprise funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue funds. 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. 6:20-2A.2(m)1. All budget amendments/transfers must be approved by School Board resolution. In addition, transfers are also covered by changes in N.J.A.C. 6A:23A-2.3 that can require approval through the state department. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles 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.

D. Encumbrance Accounting:

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity:

Cash and Cash Equivalents:

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, money market accounts and short-term investments with original maturities of three months or less.

Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories:

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Capital Assets:

The District has established a 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 fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The School 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 under the half-year convention over the following estimated useful lives:

Asset Class	Estimated Useful Lives
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and Computer Equipment	5-10
Instructional Equipment	10
Grounds Equipment	15

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

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

Compensated Absences:

The District accounts for compensated absencesas directed by Governmental Accounting Standards Board Statement No.101 (GASB 101), "Compensated Absences". Examples of compensated absences are paid time off, sick leave, holidays, parental leave, military leave, jury duty, bereavement, sabbatical, and floating holidays.

District employees are granted varying amounts of vacation and sick leave with the District's personnel policies. Upon termination, employees are paid accrued vacation. 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 compensated absences was accrued and determined based on 1.) leave that has not been used, and 2.) leave that has been used but not yet paid in cash or settled through noncash means. For leave that has not been used, a liability is recognized if, 1.) the leave is attributable to services already rendered, 2.) the leave accumulates (no-use-it-or-lose-it), and, the leave is more likely to than not to be used for time off or otherwise paid in cash or settled through noncash means. For leave that has been used, a liability should be recognized when leave has been used for time off but has not been paid in cash or settled through noncash means.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2025, but which were levied to finance subsequent fiscal year operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations:

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Net Position:

Net Position represent the difference between assets and liabilities. Net Position invested in capital assets, net of related debt 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 are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The School District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Fund Balance Reserves:

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances.

Revenues—Exchange and Nonexchange Transactions

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

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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

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.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Operating Revenues and Expenses:

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

Allocation of Indirect Expenses:

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

Extraordinary and Special Items:

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

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.

NOTE 2: CASH AND CASH EQUIVALENTS

Deposits:

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

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

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

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

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

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the municipality would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollarteralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2025, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

As of June 30, 2025, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents (A-1)
Capital Reserve	$ 1,579,666
Maintenance Reserve	268,710
Checking	1,999,770
	$ 3,848,146

The carrying amount of the Board's cash and cash equivalents at June 30, 2025, was $3,848,146 and the bank balance was $4,457,323. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, $250,000 was covered by federal depository insurances and $4,207,323 was covered by collateral pool.

NOTE 3: RECEIVABLES

Receivables at June 30, 2025, consisted of intergovernmental accounts. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Government-Wide Financial Statements
State Aid	$ 570,344	$ 570,518
Federal Aid	21,784	24,051
Local	5,750	5,750
Gross Receivable	$ 597,878	$ 600,319
Less: Allow. for Uncollectibles	-	-
Total Receivables, Net	$ 597,878	$ 600,319

NOTE 4: INVENTORY

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

Food	$ 1,320
Supplies	4,368
	$ 5,688

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 5: CAPITAL ASSETS

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

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
Capital Assets Being Depreciated:				
Land	$ 1,558,800			$ 1,558,800
Land Improvements	26,766			26,766
Buildings and Building Improvements	7,073,401	$ 619,081		7,692,482
Machinery and Equipment	406,389	125,470		531,859
Total at Historical Cost	9,065,356	744,551	-	9,809,907
Less Accumulated Depreciation for:				
Land Improvements	(5,352)	(669)		(6,021)
Building and Improvements	(4,884,640)	(379,281)		(5,263,921)
Equipment	(284,670)	(78,674)		(363,344)
Total Accumulated Depreciation	(5,174,662)	(458,624)		(5,633,286)
Total Capital Assets Being Depreciated, net of Accumulated Depreciation	3,890,694	285,927		4,176,621
Government Activity Capital Assets, Net	**$ 3,890,694**	**$ 285,927**		**$ 4,176,621**

NOTE 5: CAPITAL ASSETS (Continued)

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to $2,000. The previous threshold was $500. Applying the higher capitalization threshold retroactively (removal of old assets from the General Fixed Assets Account Group) will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives. The retirement of machinery and equipment is due to the retroactive application of the higher threshold of equipment capitalization. That is, the District has removed from their records assets with a historical cost greater than $500 but not greater than $2,000 that were fully depreciated or had exceeded their useful lives.

Depreciation expense was charged to functions as follows:

Regular Instruction	$ 262,189
Student Related Services	8,102
School Administration	23,955
Plant and Operations	164,378
Total	$ 458,624

NOTE 6: LONG-TERM OBLIGATIONS

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

A. Long-Term Obligation Activity:

Changes in long-term obligations for the year ended June 30, 2025, are as follows:

	Balance 7/1/24	Increases	Decreases	Balance 6/30/25	Amounts Due Within One Year
Governmental Activities:					
Other Liabilities:					
Compensated Absences Payable	$ 66,959	$ 19,059		$ 86,018	
Total Other Liabilities	$ 66,959	$ 19,059		$ 86,018	-

Compensated absences have been liquidated in the General Fund.

The district had no bonds outstanding as of June, 30, 2025.

The district had no bonds authorized but not issued as of June, 30, 2025.

The district had no capital lease liabilities as of June, 30, 2025.

NOTE 7: DEFERRED COMPENSATION

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

AXA Equivest	Lincoln Investments	Life of the Southwest
Lincoln Life	MetLife	NJ Pension Supplemental Annuity

NOTE 8: PENSION PLANS

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

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, 100% of employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

Summary of Significant Accounting Policies - 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.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the district (employer) 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 district (employer) 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 district. However, the state's portion of the net pension liability that was associated with the district was $12,362,738 as measured on June 30, 2024 and $12,232,067 measured on June 30, 2023.

NOTE 8: PENSION PLANS (Continued)

For the year ended June 30, 2025, the District recognized pension expense/(benefit) of ($45,097) and revenue of ($45,097) for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2025 is based upon changes in the collective net pension liability with a measurement period of June 30, 2023 through June 30, 2024. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon the changes in the collective net pension liability between July 1, 2023 and June 30, 2024.

Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

	6/30/2024	6/30/2025
Collective deferred outflows of resources	$2,498,730,891	$1,176,934,477
Collective deferred inflows of resources	$14,719,080,314	$10,530,833,639
Collective net pension liability (Nonemployer-State of New Jersey)	$51,032,669,551	$49,425,106,602
State's portion of the net pension liability that was associated with the district	$12,232,067	$12,362,738
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	0.023969%	0.025013%

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

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

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.

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

NOTE 8: PENSION PLANS (Continued)

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments (7.0% at June 30, 2024) is determined by the State Treasurer, after consultation with the Directors of the Division of Investment and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2024 are summarized in the following table:

Asset Class	***Target Allocation***	***Long-Term Expected Real Rate of Return***
US Equity	28.00%	8.63%
Non-US devel.markets equity	12.75%	8.85%
International Small Cap Equit	1.25%	8.85%
Emerging markets equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yeild	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash equivalents	2.00%	3.57%
US Treasuries	4.00%	3.57%
Risk mitigation	3.00%	7.10%

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

Sensitivity of the State's net pension liability to changes in the discount rate - Since the District has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. The following presents the State's net pension liability measured as of June 30, 2024, calculated using the discount rate shown above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
State's Collective Net Pension Liability	$ 58,828,334,396	$ 49,492,072,325	$ 41,629,174,739

NOTE 8: PENSION PLANS (Continued)

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml. The plan fudiciary net position as of June 30, 2024 was $30,316,295,787.

Amortization of Deferred Outflows and Inflows of Resources - Amount reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amoounts) related to pensions will be recognized in the state's pension expense as follows:

	Year Ended June 30:
2025	($3,681,028,670)
2026	(1,839,302,001)
2027	(1,977,654,443)
2028	(1,907,819,552)
2029	2,992,761
Thereafter	(34,177,408)
Total	($9,436,989,313)

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2024 are as follows:

Service cost	$1,395,143,002
Interest on total pension liability	5,402,862,412
Member contributions	(968,116,740)
Administrative expense	23,998,868
Expected investment return net of investment expenses	(1,880,215,821)
Pension expense related to specific liabilities of individual employers	(521,718)
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	163,003,839
Changes in assumptions	(4,175,839,758)
Difference between projected and actual investment earnings on pension plan investments	(140,853,575)
Total pension expense	($180,539,491)

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

NOTE 8: PENSION PLANS (Continued)

Summary of Significant Accounting Policies - 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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the District reported a liability of $739,997 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, which was rolled forward to June 30, 2024. The total pension liability for the June 30, 2022 valuation was determined by an experience study for the period July 1, 2018 to June 30, 2021. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2024 and 2023. At June 30, 2024, the District's proportion was 0.00545% which was an decrease of 0.00058% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the District recognized pension expense/(benefit) of $4,725. At June 30, 2025, the 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	$ 14,823	$ 1,970
Changes of assumptions	919	8,419
Net difference between projected and actual earnings on pension plan investments	-	34,312
Changes in proportion and differences between District contributions and proportionate share of contributions	28,805	74,035
District contributions subsequent to the measurement date	74,104	
Total	$ 118,651	$ 118,736

$74,104 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2025, the plan measurement date is June 30, 2024) will be recognized as a reduction of the net pension liability measured as of June 30, 2025. 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	($80,496)
2026	62,285
2027	(35,834)
2028	(20,683)
2029	538
Total	($74,189)

NOTE 8: PENSION PLANS (Continued)

	6/30/2024	6/30/2025
Collective deferred outflows of resources	$1,080,204,730	$289,074,215
Collective deferred inflows of resources	1,780,216,457	820,816,333
Collective net pension liability	$14,484,374,047	$13,588,045,796
District's portion of net pension liability	$873,130	$739,997
District's proportion %	0.00602808%	0.00544594%

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

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

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

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

NOTE 8: PENSION PLANS (Continued)

Asset Class	***Target Allocation***	***Long-Term Expected Real Rate of Return***
US Equity	28.00%	8.63%
Non-US devel.markets equity	12.75%	8.85%
International Small Cap Equit	1.25%	8.85%
Emerging markets equity	5.50%	10.66%
Private Equity	13.00%	12.40%
Real Estate	8.00%	10.95%
Real Assets	3.00%	8.20%
High Yeild	4.50%	6.74%
Private Credit	8.00%	8.90%
Investment Grade Credit	7.00%	5.37%
Cash equivalents	2.00%	3.57%
US Treasuries	4.00%	3.57%
Risk mitigation	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 and the nonemployer contributing entity will be based on 100% of the actuarially determined contributions for the State employer and 100% of actuarially determined contributions for the local employers. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all projected benefit payments to determine the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate - The following presents the District's proportionate share of the net pension liability measured as of June 30, 2024, calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	$ 983,274	$739,997	$ 532,970

NOTE 8: PENSION PLANS (Continued)

Pension Expense - The components of allocable pension expense and pension expense related to specific liabilities of individual employers, for state and local employers for the year ending June 30, 2024 are as follows:

Service cost	$10,480
Interest on total Pension liability	39,144
Member contributions	(8,583)
Administrative expense	303
Other - Chaper 19 Adjustment	(316)
Expected investment return net of investment expenses	(23,646)
Pension expense related to specific liabilities of individual employers	(302)
Recognition (amortization) of deferred inflows/outflows:	
Differences between expected and actual experience	1,193
Changes in assumptions	(9,567)
Difference between projected and actual investment earnings on pension plan investments	(3,982)
Total pension expense	$4,725

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml.

Defined Contribution Retirement Plan (DCRP) - The Defined Contribution Retirement Program (DCRP) was established as of 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.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a 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. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist.

PERS and TPAF Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age.

NOTE 8: PENSION PLANS (Continued)

The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. 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.

Significant Legislation - Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

 New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65. The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members. The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.

 The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law. New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78'sceffective date with a minimum contribution required to becat least 1.5% of salary. In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 (PERS) and N.J.S.A. 18:66 (TPAF) requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2025	$81,363	100 %	-0-
6/30/2024	$80,567	100	-0-
6/30/2023	$75,305	100	-0-

NOTE 8: PENSION PLANS (Continued)

Three-Year Trend Information for TPAF (Paid on-behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2025	$1,069,999	100 %	-0-
6/30/2024	$1,078,586	100	-0-
6/30/2023	$993,918	100	-0-

During the fiscal year ended June 30, 2025, the State of New Jersey did contribute $1,382,482 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District $226,173 during the year ended June 30, 2025, for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as revenues and expenditures. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

NOTE 9: POST-RETIREMENT BENEFITS

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 Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPES 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 countycollege 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. Additional information on Pensions and OPEB can be accessed on the Division of Pensions & Benefits Financial Reports webpage: https://www.state.nj.us/treasury/pensions/financial-reports.shtml.

Total Nonemployer OPEB Liability

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. Accordingly, the following OPEB liability note information is reported at the State's level and is not specific to the board of education.

NOTE 9: POST-RETIREMENT BENEFITS-(Continued)

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.

Actuarial assumptions and other imputes. The June 30, 2025 GASB 75 reporting is based on a measurement date of June 30, 2024. 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 used in the July 1, 2023 valuation were based on the results of actuarial experience studies for the periods July 1, 2018 - June 30, 2021 for TPAF, PERS anf PFRS. 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:

Total Nonemployer OPEB Liability: $ 59,650,630,530

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

(a) Health Care Trend Assumptions

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

(b) Discount Rate

The discount rate used to measure the total OPEB liability wa 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.

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.

NOTE 9: POST-RETIREMENT BENEFITS-(Continued)

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

	Total OPEB Liability
The State's Total OPEB Liability Balance at 6/30/2023	**$52,361,668,239**
Changes for the year:	
Service Cost	2,152,062,729
Interest on the Total OPEB Liability	1,963,557,443
Change in Benefit Terms	-
Differences Between Expected and Actual Experience	158,934,425
Changes of Assumptions	4,462,660,491
Gross Benefit Payments	(1,499,600,607)
Contributions from Members/Employers	51,347,810
Net changes	7,288,962,291
The State's Total OPEB Liability Balance at 6/30/2024	**$59,650,630,530**
The State's total OPEB liability attributable to the District:	**$17,935,901**

Changes of assumptions and other inputs reflects a change in the discount rate from 3.65 percent in 2023 to 3.93 percent in 2024 and other changes.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the State for school board retirees, as well as what the State's total OPEB liability for school board would be if it were calculated using a discount rate that is 1-percentage -point lower or 1- percentage-point higher than the current discount rate:

	June 30, 2024		
	At 1% Decrease 2.93%	At Discount Rate 3.93%	At 1% Increase 4.93%
Total OPEB Liability (School Retirees)	$69,863,663,542	$59,650,630,530	$51,437,232,141

	June 30, 2023		
	At 1% Decrease 2.65%	At Discount Rate 3.65%	At 1% Increase 4.65%
Total OPEB Liability (School Retirees)	$61,385,066,712	$52,361,668,239	$45,116,926,835

NOTE 9: POST-RETIREMENT BENEFITS-(Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the State, as well as what the State's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage- point higher than the current healthcare cost trend rates:

	June 30, 2024		
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)	$49,689,409,509	$59,650,630,530	$72,625,778,279

	June 30, 2023		
	At 1% Decrease	Health Care Cost Trend Rate	At 1% Increase
Total OPEB Liability (School Retirees)	$43,468,257,358	$52,361,668,239	$63,998,719,320

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

For the year ended June 30, 2024, the board of education recognized OPEB expense and related revenue of $302,665 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 GASBS No. 75 and in which there is a special funding situation.

In accordance with GASBS No. 75, the District's proportionate share of school retirees OPEB is zero, and 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	Deferred Inflows
Differences Between Expected and Actual Experience	$6,378,932,312	$11,139,706,892
Changes of assumptions or other inputs	10,004,978,073	11,662,607,882
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)
	($6,418,404,389)

NOTE 10: COMPENSATED ABSENCES

The District accounts for compensated absences as directed by Governmental Accounting Standards Board Statement No.101 (GASB 101), "Compensated Absences". Examples of compensated absences are paid time off, sick leave, holidays, parental leave, military leave, jury duty, bereavement, sabbatical, and floating holidays.

The District support staff are granted sick leave in varying amounts under the District's contracted personnel policies. Sick leave benefits provide for ordinary sick pay and provide for payment based upon predetermined rates and allowable days and upon retirement in the state pension system.

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

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

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

NOTE 11: RISK MANAGEMENT

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.

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

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Cash Ending Balance
2024-2025	$5,357	$9,341	$13,226	$173,574
2023-2024	$5,844	$8,300	$0	$172,102
2022-2023	$652	$8,134	$0	$157,958

NOTE 12: CONTINGENT LIABILITIES

GRANT PROGRAMS

The Board participates in state and federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The Board is potentially liable for any 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 not involved in claims or lawsuits incidental to its operations.

NOTE 13: FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the $3,061,931 General Fund fund balance at June 30, 2025, $82,590 is reserved for encumbrances; $580,000 is reserved as excess surplus in accordance with N.J.S.A.18A:7F-7, as amended ($300,000 of the excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2026), $1,579,666 has been reserved in the Capital Reserve Account; $268,710 has been reserved in the Maintenance Reserve Account; $134,336 has been reserved in the unemployment compensation reserve account; $91,105 is reserved for subsequent year's expenditures has been anticipated as revenue for the year ended June 30, 2026, and, $325,524 is unreserved and undesignated.

NOTE 14: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Township of Hampton Board of Education by inclusion in the FY 2000-2001 budget 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 increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23-2.13(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2024	$ 2,069,379
Deposits (PL 2007 c.62 (A1)): Board Resolution 6/18/2025	808,075
Interest	33,212
Budgeted Withdrawal	(1,331,000)
Ending Balance, June 30, 2025	$ 1,579,666

NOTE 15: MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the School District Board of Education in fiscal year 2021, for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance July 1, 2024	$ 260,345
Interest	8,365
Ending balance June 30, 2025	$ 268,710

NOTE 16: CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2025 is $280,000.

NOTE 17: INTERFUND RECEIVABLES AND PAYABLES

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

	Interfund Receivable	Interfund Payable
General Fund	$ 37,234	$ 14,000
Special Revenue Fund	-	23,234
Total	$ 37,234	$ 37,234

The flexible spending trust fund owes the general fund $14,000 for cash advances for cash flow. Under GASB No. 84, the trust account resides in the general fund. The special revenue fund owes the general fund for cash advances related to expenditures of federal grants in advance of federal reimbursement.

NOTE 18: TAX ABATEMENTS

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

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	$ 7,014,449		$ 7,014,449	$ 7,014,449	-
Tuition from Individuals	-		-	-	$ -
Tuition from LEA's	68,000		68,000	146,096	78,096
Miscellaneous	18,000	$ 2,888	20,888	128,789	107,901
Total - Local Sources	7,100,449	2,888	7,103,337	7,289,334	185,997
State Sources:					
Equalization Aid	136,876		136,876	136,876	
Transportation Aid	187,758		187,758	187,758	
Special Education Aid	359,838		359,838	359,838	
Security Aid	35,732		35,732	35,732	
Other State Aid				147,545	147,545
TPAF Pension (On-Behalf - Non-Budgeted)				1,069,413	1,069,413
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				312,483	312,483
TPAF Pension LTD Insurance (On-Behalf - Non-Budgeted)				586	586
TPAF Social Security (Reimbursed - Non-Budgeted)				226,173	226,173
Total State Sources	720,204		720,204	2,476,404	1,756,200
TOTAL REVENUES	**7,820,653**	**2,888**	**7,823,541**	**9,765,738**	**1,942,197**

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Local Contribution to Special Revenue	-	138,564	138,564	138,564	-
Kindergarten - Salaries of Teachers	164,255	(20,121)	144,134	128,810	15,324
Grades 1-5 - Salaries of Teachers	1,406,903	-	1,406,903	1,387,093	19,810
Grades 6-8 - Salaries of Teachers	375,919	(45,672)	330,247	299,459	30,788
Regular Programs - Home Instruction:					
Salaries of Teachers	4,000	-	4,000	-	4,000
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	-	20,121	20,121	19,111	1,010
Purchased Professional-Educational Services	76,200	-	76,200	74,365	1,835
Purchased Professional-Technical Services	2,185	-	2,185	1,085	1,100
General Supplies	107,115	35,266	142,381	131,919	10,462
Textbooks	20,000	-	20,000	2,191	17,809
Other Objects	250	-	250	201	49
Employee Benefits	632,319	(85,334)	546,985	482,566	64,419
TOTAL REGULAR PROGRAMS - INSTRUCTION	**2,789,146**	**42,824**	**2,831,970**	**2,665,364**	**166,606**
SPECIAL EDUCATION - INSTRUCTION					
Special Education Instruction - Learning or Language Disabilities:					
Salaries of Teachers	50,643	-	50,643	28,873	21,770
General Supplies	1,000	-	1,000	70	930
Total Special Education Instruction - Learning or Language Dis.	51,643	-	51,643	28,943	22,700
Special Education Instruction - Multiple Disabilities:					
Salaries of Teachers	93,230	35,010	128,240	125,505	2,735
General Supplies	1,900	-	1,900	1,401	499
Employee Benefits	32,560	-	32,560	30,078	2,482
Total Special Education Instruction - Multiple Disabilities	127,690	35,010	162,700	156,984	5,716
Resource Room:					
Salaries of Teachers	619,251	(29,010)	590,241	519,878	70,363
Other Salaries for Instruction	20,568	500	21,068	20,895	173
Purchased Professional-Educational Services	-	-	-	-	-
General Supplies	6,400	-	6,400	5,214	1,186
Employee Benefits	245,711	-	245,711	208,467	37,244
Total Resource Room	891,930	(28,510)	863,420	754,454	38,603

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Special Education Instruction - Preschool Disab. - Full Time:					
Salaries of Teachers	123,878	(123,578)	300	-	300
Other Salaries for Instruction	20,101	11,299	31,400	28,633	2,767
General Supplies	1,750	(500)	1,250	959	291
Employee Benefits	64,663	(64,663)	-	-	-
Total Special Education Instruction - Presch. Disab. - Full Time	210,392	(177,442)	32,950	29,592	3,358
TOTAL SPECIAL EDUCATION - INSTRUCTION	**1,281,655**	**(170,942)**	**1,110,713**	**969,973**	**70,377**
Other Instructional Programs - Instruction:					
Salaries	28,775	-	28,775	19,676	9,099
Puchased Services (Series 300-500)	9,500	-	9,500	6,236	3,264
General Supplies	2,000	-	2,000	1,472	528
Total Other Instructional Programs - Instruction	40,275	-	40,275	27,384	12,891
TOTAL INSTRUCTION	**4,111,076**	**(128,118)**	**3,982,958**	**3,662,721**	**249,874**
UNDISTRIBUTED EXPENDITURES					
Instruction:					
Tuition to Other LEAs Within the State - Regular	-	-	-	-	-
Tuition to Other LEAs Within the State - Special	52,750	99,000	151,750	140,813	10,937
Tuition to CSSD & Regional Day Schools	99,000	(99,000)	-	-	-
Tuition to Private Schools for the Disabled - Within State		-		-	-
Total Instruction	151,750	-	151,750	140,813	10,937
Attendance and Social Work:					
Salaries	4,968	-	4,968	4,968	-
Other Purchased Services (400-500 Series)	10,000	403	10,403	10,403	-
Total Attendance and Social Work	14,968	403	15,371	15,371	-
Health Services:					
Salaries	121,938	(4,000)	117,938	95,292	22,646
Employee Benefits	37,506	-	37,506	34,890	2,616
Purchased Professional and Technical Services	4,880	(76)	4,804	2,078	2,726
Supplies and Materials	2,050	3,653	5,703	4,040	1,663
Other Objects	900	311	1,211	1,188	23
Total Health Services	167,274	(112)	167,162	137,488	29,674

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Other Supp. Services Students-Related Services:					
Salaries	64,238	(500)	63,738	62,407	1,331
Employee Benefits	25,018	-	25,018	19,255	5,763
Purchased Professional - Educational Services	103,000	40,528	143,528	103,480	40,048
Supplies and Materials	500	2,500	3,000	1,611	1,389
Other Objects	-	500	500	444	56
Total Other Supp. Services Students-Related Services	192,756	43,028	235,784	187,197	48,587
Undist. Expend. - Other Supp. Serv. Students - Extra Serv.					
Employee Benefits	119,351	-	119,351	109,406	9,945
Salaries	397,157	(11,850)	385,307	278,201	107,106
Purchased Professional Services	900	1,200	2,100	1,100	1,000
Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.	517,408	(10,650)	506,758	388,707	118,051
Guidance:					
Salaries	13,605	-	13,605	13,605	-
General Supplies	200		200		200
Total Guidance	13,805	-	13,805	13,605	200
Other Supp. Services Students-Special:					
Salaries of Other Professional Staff	296,523	(15,779)	280,744	204,013	76,731
Salaries of Secretarial and Clerical Assistants	51,287	1,500	52,787	52,787	-
Employee Benefits	43,139	-	43,139	35,043	8,096
Other Purchased Prof. and Tech Svcs	4,500	-	4,500	-	4,500
Other Purchased Prof. and Tech Svcs (400-500 Series)	150	-	150	72	78
Misc Purch Svcs	3,750	3,000	6,750	3,664	3,086
Supplies and Materials	1,000	-	1,000	362	638
Total Other Supp. ServicesStudents-Special	400,349	(11,279)	389,070	295,941	93,129
Improvement of Instruction Services:					
Salaries of Other Professional Staff	15,805	-	15,805	7,201	8,604
Purchased Professional - Educational Services	13,700	100	13,800	13,788	12
Other Purchased Prof. Svcs (400-500 Series)	9,450	(2,550)	6,900	5,665	1,235
Total Improvement of Instruction Services	38,955	(2,450)	36,505	26,654	9,851
Educational Media Services/School Library:					
Salaries	87,738	-	87,738	87,038	700
Salaries of Tech Coordinators	6,000	4,004	10,004	10,003	1
Employee Benefits	24,052	460	24,512	24,512	-
Purchased Professional and Technical Services	18,500	2,250	20,750	20,456	294
Supplies and Materials	5,000	7	5,007	4,414	593
Other Objects	-	-	-	-	-
Total Educational Media Services/School Library	141,290	6,721	148,011	146,423	1,588

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Instructional Staff Training Services:					
Salaries of Other Professional Staff	6,000	-	6,000	1,428	4,572
Purchased Professional and Technical Services	5,250	-	5,250	3,140	2,110
Other Purchased Services (400-500 series)	800	-	800	-	800
Total Instructional Staff Training Services	12,050	-	12,050	4,568	7,482
Supp. Services - General Administration:					
Salaries	61,544	-	61,544	55,046	6,498
Employee Benefits	38,293	-	38,293	36,172	2,121
Legal Services	5,000	1,054	6,054	6,054	-
Audit Fees	20,000	-	20,000	19,259	741
Other Purchased Professional Services	57,500	(1,054)	56,446	55,003	1,443
Communications/Telephone	22,845	-	22,845	10,940	11,905
BOE Other Purchased Services	6,100	-	6,100	5,424	676
Other Purchased Services (400-500)	17,650	5,000	22,650	15,866	6,784
General Supplies	3,050	-	3,050	1,155	1,895
BOE In House Training/Meeting Supplies	650	-	650	214	436
Miscellaneous Expenses	9,300	-	9,300	3,204	6,096
BOE Membership Dues and Fees	4,200	-	4,200	3,799	401
Total Supp. Services - General Administration	246,132	5,000	251,132	212,136	38,996
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	113,509	(34,295)	79,214	79,213	1
Salaries of Other Professional Staff	54,113	45,574	99,687	99,686	1
Salaries of Secretarial and Clerical Assistants	50,650	-	50,650	41,348	9,302
Employee Benefits	56,116	-	56,116	48,194	7,922
Supplies and Materials	3,000	-	3,000	1,922	1,078
Other Objects	3,250	2,450	5,700	3,953	1,747
Total Support Services - School Administration	280,638	13,729	294,367	274,316	20,051

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Central Services:					
Salaries	170,471	750	171,221	162,755	8,466
Employee Benefits	34,041	-	34,041	29,502	4,539
Purchased Professional Services	24,750	-	24,750	24,619	131
Other Purchased Services (400-500)	1,800	-	1,800	714	1,086
Supplies and Materials	8,000	(750)	7,250	3,297	3,953
Other Objects	3,300	-	3,300	3,135	165
Total Central Services	242,362	-	242,362	224,022	18,340
Admin Info Tech.:					
Salaries	-	1,000	1,000	364	636
Purchased Professional Services	5,975	(3,929)	2,046	2,046	-
Purchased Technical Services	11,550	(4,735)	6,815	4,930	1,885
Supplies and Materials	2,000	22,600	24,600	24,600	-
Total Admin. Info. Tech.	19,525	14,936	34,461	31,940	2,521
Required Maintenance for School Facilities:					
Salaries	75,423	-	75,423	75,423	-
Employee Benefits	25,330	478	25,808	25,808	-
Cleaning, Repair and Maintenance Services	69,800	(7,722)	62,078	29,177	32,901
Supplies and Materials	20,200	-	20,200	12,471	7,729
Total Required Maintenance for School Facilities	190,753	(7,244)	183,509	142,879	40,630
Other Operations and Maintenance of Plant:					
Salaries	163,703	3,711	167,414	163,935	3,479
Employee Benefits	51,948	3,709	55,657	55,657	-
Purchased Professional and Technical Services	26,950	-	26,950	13,827	13,123
Cleaning, Repair and Maintenance Services	32,320	22,977	55,297	30,141	25,156
Insurance	58,000	(1,357)	56,643	51,856	4,787
Operations Travel	500	-	500		500
General Supplies	45,500	(6,565)	38,935	30,584	8,351
Energy (Natural Gas)	33,000	-	33,000	28,574	4,426
Energy (Electricity)	75,000	3,416	78,416	61,472	16,944
Energy (Gasoline)	2,000	-	2,000	822	1,178
Other Objects	29,255	(11,945)	17,310	16,716	594
Total Other Operations and Maintenance of Plant	518,176	13,946	532,122	453,584	78,538

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Care and Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	10,000	(6,050)	3,950	3,945	5
Supplies and Materials	10,400	3,526	13,926	9,796	4,130
Total Care and Upkeep of Grounds	20,400	(2,524)	17,876	13,741	4,130
Security:					
Security Salaries	3,200	-	3,200	-	3,200
Cleaning, Repair and Maintenance Services	19,750	-	19,750	9,307	10,443
Total Security	22,950	-	22,950	9,307	13,643
Student Transportation Services					
Salaries of Non-Instructional Aides	5,000	-	5,000	4,316	684
Sal. For Pupil Transp. (Bet Home & Sch) - Reg.	5,350	-	5,350	5,350	-
Cleaning, Repair and Maintenance Services	10,000	2,000	12,000	11,310	690
Contr Serv. - Aid in Lieu Payments - Charter School	33,785	-	33,785	31,779	2,006
Contracted Services (Between Home and School)-Vendors	324,335	(4,935)	319,400	306,486	12,914
Contracted Services (Other than Bet.Home & School)-Vendors	9,000	2,935	11,935	10,912	1,023
Contracted Services (Between Home and School)-Joint Agrmts.	42,500	-	42,500	11,805	30,695
Contracted Services (Spec. Ed. Students)-ESCs & CTSAs	80,000	(23,985)	56,015	21,979	34,036
Misc Purch Svcs- Trans	24,000	-	24,000	17,500	6,500
Transportation Supplies	3,750	-	3,750	2,284	1,466
Other Objects	300	-	300	-	300
Total Student Transportation Services	538,020	(23,985)	514,035	423,721	90,314
UNALLOCATED BENEFITS					
Retirement Contributions: DCRP	20,000	-	20,000	18,438	1,562
Social Security Contributions	102,000	-	102,000	100,291	1,709
Other Retirement Contributions-Regular	85,000	(3,637)	81,363	81,363	-
Unemployment Compensation	10,000	-	10,000	8,155	1,845
Workmen's Compensation	40,000	3,754	43,754	43,754	-
Health Benefits	45,000	7,917	52,917	46,750	6,167
Tuition Reimbursement	23,000	-	23,000	18,000	5,000
Other Benefits	10,425	(8,034)	2,391	292	2,099
TOTAL UNALLOCATED BENEFITS	335,425	-	335,425	317,043	18,382

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
On-behalf TPAF pension Contrib. (non-budgeted)			-	1,069,413	(1,069,413)
On-behalf TPAF PRM Contrib. (non-budgeted)			-	312,483	(312,483)
On-behalf TPAF pension LTD Ins. (non-budgeted)			-	586	(586)
Reimbursed TPAF Social Security Contrib. (non-budgeted)	-	-	-	226,173	(226,173)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	1,608,655	(1,608,655)
TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS	335,425	-	335,425	1,925,698	(1,590,273)
TOTAL UNDISTRIBUTED EXPENDITURES	**4,064,986**	**39,519**	**4,104,505**	**5,068,111**	**(963,611)**
TOTAL GENERAL CURRENT EXPENSE	**8,176,062**	**(88,599)**	**8,087,463**	**8,730,832**	**(643,369)**
CAPITAL OUTLAY					
Equipment:					
Instr Equipment	-	11,235	11,235	-	11,235
Media Equipment		23,985	23,985		23,985
Maintenance Equipment		57,087	57,087	55,090	1,997
Total Equipment	-	92,307	92,307	55,090	37,217
Facilities Acquisition and Construction Services					
Construction Services	75,000	16,547	91,547	88,697	2,850
Improvements		14,822	14,822	14,822	-
Total Facilities Acquisition and Construction Services	75,000	31,369	106,369	103,519	2,850
TOTAL CAPITAL OUTLAY	**75,000**	**123,676**	**198,676**	**158,609**	**40,067**
Transfer to Charter School	**33,564**	-	**33,564**	**15,672**	**17,892**
TOTAL EXPENDITURES	**8,284,626**	**35,077**	**8,319,703**	**8,905,113**	**(585,410)**

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(463,973)	(32,189)	(496,162)	860,625	1,356,787
Other Financing Sources:					
Operating Transfer In/(Out):					
Transfer from/(to) Capital Projects Fund	(856,000)	(400,000)	(1,256,000)	(1,256,000)	-
Total Other Financing Sources:	(856,000)	(400,000)	(1,256,000)	(1,256,000)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,319,973)	(432,189)	(1,752,162)	(395,375)	1,356,787
Fund Balance, July 1	$3,529,327		3,529,327	3,529,327	-
Prior Period Adjustment					
Fund Balance, July 1 (Restated)	3,529,327		3,529,327	3,529,327	
Fund Balance, June 30	$ 2,209,354	$ (432,189)	$ 1,777,165	$ 3,133,952	$ 1,356,787
Recapitulation:					
Restricted for:					
Capital Reserve				$ 1,579,666	
Maintenance Reserve				268,710	
Excess Surplus				280,000	
Excess Surplus - Designated for Subsequent Year's Expenditures				300,000	
Unemployment Compensation				134,336	
Assigned to:					
Designated for Subsequent Year's Expenditures				91,105	
Year-End Encumbrances				82,590	
Unassigned:					
Unrestricted Fund Balance				397,545	
Fund Balance per Governmental Funds(Budgetary Basis)				$ 3,133,952	
Reconciliation to Governmental Funds Statement(GAAP Basis):					
Current Year Last State Aid Payment not recognized on GAAP basis until received				(72,021)	
Fund Balance per Governmental Funds(GAAP Basis)				$ 3,061,931	

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

Exhibit C-2

BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND

For the Fiscal Year Ended June 30, 2025

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources		$ 60,690	$ 60,690	$ 48,049	$ (12,641)
State Sources	$ 91,981	462,275	554,256	658,016	103,760
Federal Sources	143,513	245,248	388,761	207,755	(181,006)
Total Revenues	**235,494**	**768,213**	**1,003,707**	**913,820**	**(89,887)**
EXPENDITURES:					
Instruction					
Salaries of Teachers	36,000	183,598	219,598	194,050	25,548
Other Salaries for Instruction	7,000	77,170	84,170	83,458	712
Other Purchased Services	49,820	6,633	56,453	56,453	
Tuition	6,895	1	6,896	6,896	
General Supplies	12,284	98,227	110,511	96,663	13,848
Textbooks	5,932	-	5,932	5,932	
Total Instruction	117,931	365,629	483,560	443,452	40,108
Support Services					
Salaries of Program Directors	-	40,163	40,163	35,423	4,740
Salaries of Other Professional Staff	11,800	5,053	16,853	16,853	-
Salaries of Secr. And Clerical Assistants	-	15,649	15,649	15,649	-
Other Salaries	-	27,721	27,721	21,321	6,400
Salaries of Community Parent Involvement Spec.	-	17,006	17,006	11,054	5,952
Salaries of Master Teachers	-	25,000	25,000	15,069	9,931
Personal Services - Employee Benefits	-	152,882	152,882	151,234	1,648
Purchased Prof. -Ed. Services	56,694	21,934	78,628	70,965	7,663
Purchased Prof. Tech Svcs.	42,927	6,440	49,367	48,067	1,300
Cleaning, Repair & Maintenance Svcs.	-	34,074	34,074	34,074	-
Contr Serv-Trans. (Bet. Home & School)	-	25,000	25,000	17,267	7,733
Contr Serv-Trans. (Field Trips)	-	1,000	1,000	-	1,000
Travel	-	500	500	69	431
Supplies & Materials	6,142	48,574	54,716	54,292	424
Scholarships	-	100	100	100	-
Student Activities	-	19,888	19,888	19,888	-
Total Support Services	117,563	440,984	558,547	511,325	47,222
Facilities Acq. & Contruction Services:					
Instructional Equipment	-	17,388	17,388	17,324	64
Non-Instructional Equipment	-	79,952	79,952	77,459	2,493
Total Facilities Acq. & Contruction Services	-	97,340	97,340	94,783	2,557
Total Expenditures	235,494	903,953	1,139,447	1,049,560	89,887
Total Outflows	**$ 235,494**	**$ 903,953**	**$ 1,139,447**	**$ 1,049,560**	**$ 89,887**
Other Financing Sources (Uses):					
Transfers from Other Funds	**-**	138,564	**138,564**	**138,564**	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)		2,824	2,824	2,824	
Fund Balance Beginning				54,656	
Fund Balance Ending				$ 57,480	
Recapitulation:					
Restricted:					
Student Activities				$ 47,213	
Scholarships				10,267	
Fund Balance per Governmental Funds(Budgetary Basis)				$ 57,480	
Reconciliation to Governmental Funds Statement (GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis				(69,282)	
Fund Balance per Governmental Funds (GAAP Basis)				$ (11,802)	

Exhibit C-3

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE

For the Fiscal Year Ended June 30, 2025

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 (Exhibits C-1 and C-2, respectively)	$ 9,765,738	$ 1,052,384
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year	N/A	18,011
Current Year	N/A	(28,151)
Adjustment for: Prior year Final State Aid Payment excluded in State Source Revenues that is considered a revenue for GAAP reporting purposes	57,673	-
Adjustment for: Current Year Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes	(72,021)	(69,282)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2)	$ 9,751,390	$ 972,962
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively)	$ 8,905,113	$ 1,049,560
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for *financial reporting* purposes.		
Prior Year	N/A	18,011
Current Year	N/A	(28,151)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	N/A	N/A
Net transfers (outflows) to general fund	N/A	N/A
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2)	$ 8,905,113	$ 1,039,420

Hampton School District **Exhibit L-3**
Required Supplementary Information - Part III
Schedule of the District's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years

Teachers' Pension and Annuity Fund (TPAF)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset) **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the net pension liability (asset) associated with the District	$ 12,362,738	$ 12,232,067	$ 12,999,165	$ 12,389,478	$ 17,343,812	$ 16,956,650	$ 16,321,610	$ 19,018,213	$ 20,860,205	$ 18,932,524
Total	$ 12,362,738	$ 12,232,067	$ 12,999,165	$ 12,389,478	$ 17,343,812	$ 16,956,650	$ 16,321,610	$ 19,018,213	$ 20,860,205	$ 18,932,524
District's covered employee payroll	$ 2,981,620	$ 3,025,741	$ 2,880,459	$ 2,900,029	$ 2,756,705	$ 2,737,226	$ 2,862,680	$ 2,838,671	$ 2,909,900	$ 2,519,735
District's proportionate share of the of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	37.99%	34.68%	32.29%	35.50%	24.60%	26.95%	26.49%	25.41%	22.33%	28.71%

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the district (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the district.

Exhibit L-1

Public Employees' Retirement System (PERS)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
District's proportion of the net pension liability (asset)	0.00545%	0.00603%	0.00597%	0.00585%	0.00557%	0.00600%	0.00585%	0.00575%	0.00585%	0.00590%
District's proportionate share of the net pension liability (asset)	$ 739,997	$ 873,130	$ 901,200	$ 692,734	$ 907,591	$ 1,081,362	$ 1,151,171	$ 1,339,372	$ 1,733,984	$ 1,325,106
District's covered employee payroll	$ 463,956	$ 454,994	$ 413,662	$ 453,957	$ 440,096	$ 450,358	$ 412,234	$ 426,472	$ 410,590	$ 395,661
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	159.50%	191.90%	217.86%	152.60%	206.23%	240.11%	279.25%	314.06%	422.32%	334.91%
Plan fiduciary net position as a percentage of the total pension liability (Local)	68.22%	65.28%	62.91%	70.33%	58.32%	56.27%	53.60%	58.18%	40.14%	47.92%

Hampton School District **Exhibit L-2**
Required Supplementary Information - Part III
Schedule of District Contributions
Last Ten Fiscal Years

Teachers' Pension and Annuity Fund (TPAF)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions in relation to the contractually required contribution **	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contribution deficiency (excess)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's covered employee payroll	$ 2,981,620	$ 3,025,741	$ 2,880,459	$ 2,900,029	$ 2,756,705	$ 2,737,226	$ 2,862,680	$ 2,838,671	$ 2,909,900	$ 2,519,735
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. The district (employer) does not contribute to the plan.

Public Employees' Retirement System (PERS)

	2025	2025	2024	2023	2022	2021	2019	2018	2017	2016
Contractually required contribution	$ 81,383	$ 80,567	$ 75,305	$ 68,820	$ 60,884	$ 58,814	$ 58,276	$ 53,696	$ 52,012	$ 50,750
Contributions in relation to the contractually required contribution	(81,383)	(80,567)	(75,305)	(68,820)	(60,884)	(58,814)	(58,276)	(53,696)	(52,012)	(50,750)
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
District's covered employee payroll	$ 463,956	$ 454,944	$ 413,662	$ 453,957	$ 440,096	$ 450,358	$ 412,234	$ 426,472	$ 410,590	$ 395,661
Contributions as a percentage of covered-employee payroll	17.54%	17.71%	18.20%	15.16%	13.83%	13.06%	14.14%	12.59%	12.67%	12.83%

Hampton Township School District **Exhibit M-1**
Required Supplementary Information - Part III
Schedule of Changes in the State's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years *

State Health Benefit Local Education Retired Employees Plan (TPAF and PERS)

The State of New Jesrsey's Total OPEB Liability	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Service Cost	$ 2,152,062,729	$ 2,136,235,476	$ 2,770,618,025	$ 3,217,184,264	$ 1,790,973,822	$ 1,734,404,850	$ 1,984,642,729	$ 2,391,878,884	$ 1,723,999,319	
Interest	1,963,557,443	1,844,113,951	1,342,187,139	1,556,661,679	1,503,341,357	1,827,787,206	1,970,236,232	1,699,441,736	1,823,643,792	
Change in Benefit Terms	-	-	-	(63,870,842)						
Differences Between Expected and Actual Experience	158,934,425	(980,424,863)	1,399,200,736	(11,385,071,658)	11,544,750,637	(7,323,140,818)	(5,002,065,740)			
Benefit Payments	(1,499,600,607)	-	(13,586,368,097)	59,202,405	(1,180,515,618)	(1,280,958,373)	(1,232,987,247)	(1,242,412,566)	(1,223,298,019)	
Contributions from Members	51,347,810	(1,390,258,754)	(1,329,476,059)	-	35,781,384	37,971,171	42,614,005	45,748,749	46,273,747	
Changes of Assumptions or other inputs	4,462,660,491	105,539,463	42,650,252	(1,186,417,186)	12,386,549,981	622,184,027	$ (5,291,448,855)	$ (7,086,599,129)	8,611,513,521	
Net change in total OPEB liability	7,288,962,291	1,715,205,273	(9,361,188,004)	(7,802,311,638)	26,080,881,563	(4,381,751,937)	(7,529,008,876)	(4,191,942,326)	10,982,132,360	
Total OPEB Liability - Beginning	$ 52,361,668,239	$ 50,646,462,966	$ 60,007,650,970	$ 67,809,962,608	$ 41,729,081,045	$ 46,110,832,982	$ 53,639,841,858	$ 57,831,784,184	$ 46,849,651,824	
Total OPEB Liability - Ending	$ 59,650,630,530	$ 52,361,668,239	$ 50,646,462,966	$ 60,007,650,970	$ 67,809,962,608	$ 41,729,081,045	$ 46,110,832,982	$ 53,639,841,858	$ 57,831,784,184	
**The State of New Jersey's total OPEB liability ** **	$ 59,650,630,530	$ 52,361,668,239	$ 50,646,462,966	$ 60,007,650,970	$ 67,809,962,608	$ 41,729,081,045	$ 46,110,832,982	$ 53,639,841,858	$ 57,831,784,184	
**The State of New Jersey's OPEB liability attributable to the District ** **	$ 17,935,901	$ 16,261,168	$ 15,586,817	$ 18,285,459	$ 21,612,660	$ 13,621,517	$ 15,091,842	$ 17,826,437	$ 19,401,625	
The District's proportionate share of the total OPEB liability	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero	Zero	
District's covered employee payroll	$ 3,445,576	$ 3,480,685	$ 3,294,121	$ 3,353,986	$ 3,196,801	$ 3,187,584	$ 3,274,914	$ 3,265,143	$ 3,320,490	
Total District's OPEB liability as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
District's contribution	None	None	None	None	None	None	None	None	None	
State's covered employee payroll * **	$ 15,845,935,573	$ 15,314,749,297	$ 14,753,355,408	$ 14,425,669,769	$ 14,267,738,657	$ 13,929,083,479	$ 13,640,275,833	$ 13,493,400,208	$ 13,493,400,208	
Total State's OPEB liability as a percentage of its covered-employee payroll	376.44%	341.90%	343.29%	415.98%	475.27%	299.58%	338.05%	397.53%	428.59%	

** Note: Other Post Employment Benefits (OPEB) for employees of the Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS) is considered a special funding situation as defined by GASB Statement No. 75 in which the State of New Jersey is 100% responsible for contributions to the health insurance plan. The district (employer) does not contribute to the plan and the district's OPEB liability is zero.

*** Covered payroll for the Measurement Period ending June 30, 2023 and June 30, 2024 is based on the payroll on the June 30, 2022 and June 30, 2023 census data, respectively

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III
Pension and Other Post Employment Benefits (OPEB) Schedules

For the Fiscal Year Ended June 30, 2025

Teachers' Pension and Annuity Fund (TPAF)

Pension Schedules

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

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

OPEB Schedules

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 3.65 percent in 2023 to 3.93 percent in 2024.

Public Employees' Retirement System (PERS)

Pension Schedules

Changes of benefit terms. 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, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

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

OPEB Schedules

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Changes of assumptions. Changes of assumptions and other inputs reflects a change in the discount rate from 3.65 percent in 2023 to 3.93 percent in 2024.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND
DETAIL STATEMENTS

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

SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2025

	Title I	Title II Part A	Title IV	IDEA Basic	IDEA Preschool	REAP	DCA Recreation Grant	NP Textbook	NP Nursing	NP Tech
REVENUES										
Local Sources										
State Sources							$ 69,000	$ 5,932	$ 12,780	$ 5,684
Federal Sources	$ 30,128	$ 5,809	$ 9,901	$ 105,015	$ 10,682	$ 46,220				
TOTAL REVENUES	**30,128**	**5,809**	**9,901**	**105,015**	**10,682**	**46,220**	**69,000**	**5,932**	**12,780**	**5,684**
EXPENDITURES:										
Instruction:										
Salaries of Teachers	21,251			15,598						
Other Salaries for Instruction				2,670						
Other Purchased Services						2,187			12,780	
Tuition				6,896						
General Supplies	2,530		5,627			35,693				5,684
Textbooks								5,932		
Total Instruction	23,781		5,627	25,164		37,880		5,932	12,780	5,684
Support Services:										
Salaries of Program Directors										
Salaries of Other Professional Staff				7,560						
Salaries of Secr. And Clerical Assistants										
Other Salaries										
Salaries of Comm. Parent Involv.										
Salaries of Master Teachers										
Personal Services - Employee Benefits										
Purchased Prof. -Ed. Services				70,965						
Purchased Prof. Tech Svcs.	1,700	5,809	3,510		7,703					
Cleaning, Repair & Maintenance Svcs.										
Contr Serv-Trans. (Bet. Home & School)										
Travel										
Supplies & Materials	4,647		764	1,326	2,979					
Scholarships										
Student Activities										
Total Support Services	6,347	5,809	4,274	79,851	10,682					
Facilities Acq. & Contruction Services:										
Instructional Equipment						8,340				
Non-Instructional Equipment							69,000			
Total Facilities Acq. & Contruction Services	-	-	-	-	-	8,340	69,000	-	-	-
TOTAL EXPENDITURES	30,128	5,809	9,901	105,015	10,682	46,220	69,000	5,932	12,780	5,684
Total Outflows	**$ 30,128**	**$ 5,809**	**$ 9,901**	**$ 105,015**	**$ 10,682**	**$ 46,220**	**$ 69,000**	**$ 5,932**	**$ 12,780**	**$ 5,684**
Other Financing Sources (Uses):										
Transfers from Other Funds										
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
Fund Balance Beginning	-	-		-	-		-	-	-	-
Prior Period Adjustment *	-	-		-	-		-	-	-	-
Fund Balance Beginning (Restated)	-	-		-	-		-	-	-	-
Fund Balance Ending	-	-		-	-		-	-	-	-

SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2025

	NP Security	Handi-Cap Svcs Exam.	Handi-Cap Svcs Suppl Inst	Handi-Cap Svcs Cor. Speech	Aux. Svcs Comp Ed.	Preschool Education State Aid	Local Grants	Student Activity	Scholarship Funds	Totals
REVENUES										
Local Sources							$ 25,237	$ 22,769	$ 43	$ 48,049
State Sources	$ 29,345	$ 9,870	$ 6,195	$ 7,261	$ 14,130	$ 497,819				658,016
Federal Sources										207,755
TOTAL REVENUES	**29,345**	**9,870**	**6,195**	**7,261**	**14,130**	**497,819**	**25,237**	**22,769**	**43**	**913,820**
EXPENDITURES:										
Instruction:										
Salaries of Teachers						157,201				194,050
Other Salaries for Instruction						80,788				83,458
Other Purchased Services		9,870	6,195	7,261	14,130	4,030				56,453
Tuition										6,896
General Supplies						21,892	25,237			96,663
Textbooks										5,932
Total Instruction		9,870	6,195	7,261	14,130	263,911	25,237			443,452
Support Services:										
Salaries of Program Directors						35,423				35,423
Salaries of Other Professional Staff						9,293				16,853
Salaries of Secr. And Clerical Assistants						15,649				15,649
Other Salaries						21,321				21,321
Salaries of Comm. Parent Involv.						11,054				11,054
Salaries of Master Teachers						15,069				15,069
Personal Services - Employee Benefits						151,234				151,234
Purchased Prof. -Ed. Services										70,965
Purchased Prof. Tech Svcs.	29,345									48,067
Cleaning, Repair & Maintenance Svcs.						34,074				34,074
Contr Serv-Trans. (Bet. Home & School)						17,267				17,267
Travel						69				69
Supplies & Materials						44,576				54,292
Scholarships									100	100
Student Activities								19,888	-	19,888
Total Support Services	29,345					355,029		19,888	100	511,325
Facilities Acq. & Contruction Services:										
Instructional Equipment						8,984				17,324
Non-Instructional Equipment						8,459				77,459
Total Facilities Acq. & Contruction Services	-	-	-	-	-	17,443	-	-	-	94,783
TOTAL EXPENDITURES	29,345	9,870	6,195	7,261	14,130	636,383	25,237	19,888	100	1,049,560
Total Outflows	**$ 29,345**	**$ 9,870**	**$ 6,195**	**$ 7,261**	**$ 14,130**	**$ 636,383**	**$ 25,237**	**$ 19,888**	**$ 100**	**$ 1,049,560**
Other Financing Sources (Uses):										
Transfers from Other Funds						138,564				138,564
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-	-	2,881	(57)	2,824
Fund Balance Beginning	-	-	-	-	-	-	-	44,332	10,324	54,656
Prior Period Adjustment *	-	-	-	-	-	-	-	-	-	-
Fund Balance Beginning (Restated)	-	-	-	-	-	-	-	44,332	10,324	54,656
Fund Balance Ending	-	-	-	-	-	-	-	$ 47,213	$ 10,267	$ 57,480

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
EXPENDITURES:					
Instruction:					
Salaries of Teachers	-	$ 171,002	$ 171,002	$ 157,201	$ 13,801
Other Salaries for Instruction	-	81,500	81,500	80,788	712
Purchased Professional Ed. Services	-	4,030	4,030	4,030	-
General Supplies	-	23,000	23,000	21,892	1,108
Total instruction	-	279,532	279,532	263,911	15,621
Support services:					
Salaries of Program Directors	-	40,163	40,163	35,423	4,740
Salaries of Other Professional Staff	-	9,293	9,293	9,293	-
Salaries of Secr. And Clerical Assistants	-	15,649	15,649	15,649	-
Other Salaries	-	27,721	27,721	21,321	6,400
Salaries of Community Parent Involvement Spec.	-	17,006	17,006	11,054	5,952
Salaries of Master Teachers	-	25,000	25,000	15,069	9,931
Personal Services - Employee Benefits	-	152,882	152,882	151,234	1,648
Cleaning, Repair & Maintenance Svcs.	-	34,074	34,074	34,074	-
Contr Serv-Trans. (Bet. Home & School)	-	25,000	25,000	17,267	7,733
Contr Serv-Trans. (Field Trips)	-	1,000	1,000	-	1,000
Travel	-	500	500	69	431
Supplies & Materials	-	45,000	45,000	44,576	424
Total support services	-	393,288	393,288	355,029	38,259
Facilities Acq. & Construction:					
Instructional Equipment	-	9,048	9,048	8,984	64
Non-Instructional Equipment	-	10,952	10,952	8,459	2,493
Total Facilities Acq. & Construction	-	20,000	20,000	17,443	2,557
Total Expenditures	-	692,820	$ 692,820	$ 636,383	$ 56,437

CALCULATION OF BUDGET & CARRYOVER

Total 2024-2025 PreK Aid Allocation	$ 554,256
Add: Actual ECPA Carryover June 30, 2024	-
Add: Budgeted Transfer From General Fund	138,564
Total Funds Available for 2024-2025 Budget	692,820
Less: 2024-2025 Budgeted PreK & ECPA (Including prior year budgeted carryover)	(692,820)
Available & Unbudgeted Funds as of June 30, 2025	-
Add: June 30, 2025 Unexpended PreK Aid	56,437
2024-2025 Actual Carryover - PreK Aid	$ 56,437
2024-2025 PreK Carryover Budgeted in 2025-2026	-

CAPITAL PROJECTS FUND
DETAIL STATEMENTS

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit F-1

CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES

For the Fiscal Year Ended June 30, 2025

	Original		Revised		Expenditures to Date		Unexpended Balance
	Date	Appropriations	Date	Appropriations	Prior Years	Current Year	June 30, 2025
HVAC Project	5/16/24	$ 1,256,000	N/A	$ 1,256,000	-	$ 479,324	$ 776,676
		1,256,000		1,256,000	-	479,324	776,676
Totals		$ 1,256,000		$ 1,256,000	-	$ 479,324	776,676
					Advanced Capital Reserve funding in Anticipation of NJ SDA Grant		342,400
					Fund Balance, June 30, 2025		$ 1,119,076

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit F-2

CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2025

Revenues and Other Financing Sources	
Transfer from Capital Reserve	$1,256,000
NJ SDA Grant	342,400
Total Revenues	1,598,400
Expenditures and Other Financing Uses	
Professional Services	61,123
Construction Services	418,201
Total Expenditures	479,324
Excess(deficiency) of revenues over(under) expenditures	1,119,076
Fund Balance - Beginning	-
Fund Balance - Ending	$1,119,076

HAMPTON TOWNSHIP SCHOOL DISTRICT

Exhibit F-2a

CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS-BUDGETARY BASIS
HVAC Project

From Inception and for the Fiscal Year Ended June 30, 2025

	Prior Periods	Current Year	Totals	Revised Authorized Costs
Revenues and Other Financing Sources				
Transfer from Capital Reserve		$ 1,256,000	$ 1,256,000	$ 913,600
NJ SDA Grant		342,400	342,400	342,400
Total Revenues	-	1,598,400	1,598,400	1,256,000
Expenditures and Other Financing Sources				
Professional Services		61,123	61,123	81,498
Construction Services		418,201	418,201	1,174,502
Total Expenditures	-	479,324	479,324	$ 1,256,000
Excess(deficiency) of revenues over(under) expenditures	-	$ 1,119,076	$ 1,119,076	
Project Fund Balance, 6/30/2025			$ 1,119,076	

Additional project information:	
DOE Project Number	1980-050-23-R503
SDA Project Number	1980-050-23-G5HX
Grant Date	11/13/24
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	$1,256,000
Additional Authorized Cost	
Revised Authorized Cost	$1,256,000
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	33%
Original Target Completion Date	2026
Revised Target Completion Date	2026

Recapitulation:	
Encumbrances	766,439
Unreserved (Assigned)	352,637
	$ 1,119,076

PROPRIETARY FUND
DETAIL STATEMENTS

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

Food Services Fund - This fund provides for the operation of food services in all schools within the school district.

THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5 AND B-6.

FIDUCIARY FUND
DETAIL STATEMENTS

Fiduciary Funds are defined by GASB No. 84 as four funds. (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds.

N/A

LONG-TERM DEBT SCHEDULES

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

N/A

Hampton Township School District
Statistical Section

Contents **Page**

Financial Trends (J-1 thru J-5) 89-94
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.

Revenue Capacity (J-6 thru J-9) 95-98
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

Debt Capacity (J-10 thru J-13) 99-102
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.

Demographic and Economic Information (J-14 and J-15) 103-104
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

Operating Information (J-16 thru J-20) 105-109
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.

Sources:

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports (ACFR) for the relevant year.

Hampton Township School District
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit J-1

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Invested in capital assets, net of related debt	$ 3,269,225	$ 3,131,971	$ 2,977,368	$ 2,910,932	$ 3,381,758	$ 3,256,529	$ 3,423,964	$ 4,094,481	$ 3,890,694	$ 4,176,621
Restricted	1,173,170	1,561,605	1,969,146	2,190,335	2,472,552	3,332,251	3,023,309	2,639,163	3,210,689	3,063,934
Unrestricted	(927,121)	(1,053,036)	(1,212,942)	(1,083,126)	(1,077,112)	(1,091,526)	(114,134)	(476,566)	(559,417)	279,171
Total governmental activities net assets	$ 3,515,274	$ 3,640,540	$ 3,733,572	$ 4,018,141	$ 4,777,198	$ 5,497,254	$ 6,333,139	$ 6,257,078	$ 6,541,966	$ 7,519,726
Business-type activities										
Invested in capital assets, net of related debt	$ -	$ -	-	-	-	-	-	-	20,858	$ 15,643
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	27,147	21,881	$ 9,293	$ 10,588	$ 11,462	$ 22,380	$ 56,984	$ 84,225	$ 61,584	63,754
Total business-type activities net assets	$ 27,147	$ 21,881	$ 9,293	$ 10,588	$ 11,462	$ 22,380	$ 56,984	$ 84,225	$ 82,442	$ 79,397
District-wide										
Invested in capital assets, net of related debt	$ 3,269,225	$ 3,131,971	$ 2,977,368	$ 2,910,932	$ 3,381,758	$ 3,256,529	$ 3,423,964	$ 4,094,481	$ 3,911,552	$ 4,192,264
Restricted	1,173,170	1,561,605	1,969,146	2,190,335	2,472,552	3,332,251	3,023,309	2,639,163	3,210,689	3,063,934
Unrestricted	(899,974)	(1,031,155)	(1,203,649)	(1,072,538)	(1,065,650)	(1,069,146)	(57,150)	(392,341)	(497,833)	342,925
Total district net assets	$ 3,542,421	$ 3,662,421	$ 3,742,865	$ 4,028,729	$ 4,788,660	$ 5,519,634	$ 6,390,123	$ 6,341,303	$ 6,624,408	$ 7,599,123

Source: ACFR Scehdule A-1

Hampton Township School District **Exhibit J-2**
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	$ 3,393,385	$ 3,760,966	$ 3,942,106	$ 3,555,900	$ 3,554,497	$ 3,982,074	$ 3,282,294	$ 3,416,508	$ 3,331,448	$ 3,723,103
Special education	787,678	904,390	851,283	774,133	913,979	1,308,796	1,244,628	1,076,517	1,252,087	1,064,860
Other special education	481,866	547,589	546,870	519,820	375,687	25,007	11,677	17,281	36,110	30,063
School Sponsored Other Instruction										
Support Services:										
Tuition	179,243	305,542	235,476	226,702	23,091	-	25,641	62,327	88,357	140,813
Student & instruction related services	1,007,992	1,212,671	1,294,401	1,064,330	1,095,020	1,112,840	1,284,190	1,410,178	1,580,107	1,879,606
General administrative services	439,300	382,713	481,110	509,655	463,388	487,683	502,997	488,415	540,851	512,095
School administrative services	384,221	298,051	378,560	368,761	334,683	353,957	332,085	301,345	309,607	313,573
Plant operations and maintenance	760,316	809,654	974,293	808,591	750,481	920,841	813,534	792,327	776,605	860,572
Pupil transportation	344,443	396,276	396,168	362,874	372,820	314,185	381,384	432,899	443,375	423,721
Other Support Services										
Charter Schools	103,269	90,852	48,129	50,434	36,677	62,039	4,417	-	-	15,672
Interest on long-term debt										
Unallocated Depreciation										
Total governmental activities expenses	7,881,713	8,708,704	9,148,396	8,241,200	7,920,323	8,567,422	7,882,847	7,997,797	8,358,547	8,964,078
Business-type activities:										
Food service	109,890	106,846	109,643	90,928	69,046	73,849	132,004	114,450	123,714	152,384
Total business-type activities expense	109,890	106,846	109,643	90,928	69,046	73,849	132,004	114,450	123,714	152,384
Total district expenses	$ 7,991,603	$ 8,815,550	$ 9,258,039	$ 8,332,128	$ 7,989,369	$ 8,641,271	$ 8,014,851	$ 8,112,247	$ 8,482,261	$ 9,116,462
Program Revenues										
Governmental activities:										
Operating grants and contributions	$ 2,862,992	$ 3,548,492	$ 3,908,692	$ 3,050,879	$ 2,719,334	$ 3,472,766	$ 2,778,684	$ 1,902,404	$ 1,727,410	$ 2,262,055
Charges for Services					103,852	137,568	160,913	102,365	131,979	168,908
Total governmental activities program revenues	2,862,992	3,548,492	3,908,692	3,050,879	2,823,186	3,610,334	2,939,597	2,004,769	1,859,389	2,430,963
Business-type activities:										
Charges for services										
Food service	72,855	69,438	64,354	66,528	48,211	890	8,876	67,159	67,330	71,035
Operating grants and contributions	32,416	32,085	32,662	25,675	20,526	78,868	157,683	74,184	51,367	75,912
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	105,271	101,523	97,016	92,203	68,737	79,758	166,559	141,343	118,697	146,947
Total district program revenues	$ 2,968,263	$ 3,650,015	$ 4,005,708	$ 3,143,082	$ 2,891,923	$ 3,690,092	$ 3,106,156	$ 2,146,112	$ 1,978,086	$ 2,577,910

Continued

Hampton Township School District **Exhibit J-2**
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense)/Revenue										
Governmental activities	$ (5,018,721)	$ (5,160,212)	$ (5,239,704)	$ (5,190,321)	$ (5,097,137)	$ (4,957,088)	$ (4,943,250)	$ (5,993,028)	$ (6,499,158)	$ (6,533,115)
Business-type activities	(4,619)	(5,323)	(12,627)	1,275	(309)	5,909	34,555	26,893	(5,017)	(5,437)
Total district-wide net expense	$ (5,023,340)	$ (5,165,535)	$ (5,252,331)	$ (5,189,046)	$ (5,097,446)	$ (4,951,179)	$ (4,908,695)	$ (5,966,135)	$ (6,504,175)	$ (6,538,552)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	$ 5,112,125	$ 5,213,151	$ 5,311,680	$ 5,401,978	$ 5,535,263	$ 5,645,968	$ 5,758,887	$ 5,874,065	$ 6,630,549	$ 7,014,449
Transfers in/(out)	-	-	-	-	(1,000)	(5,000)	-	-	-	-
Unrestricted grants and contributions	(75,606)	11,629	(9,367)	-	-	-	-	-	-	-
Federal and State Aid on Capital Projects										342,400
Investment earnings	3,803	4,114	5,028	5,418	5,310	6,268	6,268	14,144	127,622	125,845
Miscellaneous income	70,926	66,834	25,395	67,494	136,413	29,908	13,980	28,758	25,875	28,181
Total governmental activities	5,111,248	5,295,728	5,332,736	5,474,890	5,675,986	5,677,144	5,779,135	5,916,967	6,784,046	7,510,875
Business-type activities:										
Transfers in/(out)					1000	5000	0	0	0	-
Investment earnings	142	57	39	20	183	9	49	348	3,234	2,392
Total business-type activities	142	57	39	20	1,183	5,009	49	348	3,234	2,392
Total district-wide	$ 5,111,390	$ 5,295,785	$ 5,332,775	$ 5,474,910	$ 5,677,169	$ 5,682,153	$ 5,779,184	$ 5,917,315	$ 6,787,280	$ 7,513,267
Change in Net Position										
Governmental activities	$ 92,527	$ 135,516	$ 93,032	$ 284,569	$ 578,849	$ 720,056	$ 835,885	$ (76,061)	$ 284,888	$ 977,760
Business-type activities	(4,477)	(5,266)	(12,588)	1,295	874	10,918	34,604	27,241	(1,783)	(3,045)
Total district	$ 88,050	$ 130,250	$ 80,444	$ 285,864	$ 579,723	$ 730,974	$ 870,489	$ (48,820)	$ 283,105	$ 974,715

Source: ACFR Schedule A-2

Hampton Township School District **Exhibit J-3**
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										
Reserved	$ 1,401,361	$ 1,729,180	$ 2,008,473	$ 2,250,111	$ 2,488,675	$ 3,309,744	$ 3,764,576	$ 2,774,880	$ 3,188,222	$ 2,736,407
Unreserved	140,817	143,618	135,264	136,280	168,604	194,685	223,481	311,162	283,432	325,524
Total general fund	$ 1,542,178	$ 1,872,798	$ 2,143,737	$ 2,386,391	$ 2,657,279	$ 3,504,429	$ 3,988,057	$ 3,086,042	$ 3,471,654	$ 3,061,931
All Other Governmental Funds										
Reserved					$ 45,872	$ 46,342	$ 50,189	$ 50,302	$ 54,656	$ 57,480
Unreserved, reported in:										
Special revenue fund										(69,282)
Capital projects fund	64,963	$ 76,592	$ 67,225	$ 67,225	$ 67,225	-	-	-	-	1,119,076
Total all other governmental funds	64,963	$ 76,592	$ 67,225	$ 67,225	$ 113,097	$ 46,342	$ 50,189	$ 50,302	$ 54,656	$ 1,107,274

Source: ACFR Schedule B-1

Hampton Township School District **Exhibit J-4**
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Tax levy	$ 5,112,125	$ 5,213,151	$ 5,311,680	$ 5,401,978	$ 5,535,263	$ 5,645,968	$ 5,758,887	$ 5,874,065	$ 6,630,549	$ 7,014,449
Tuition					103,852	129,930	142,650	82,193	106,621	146,096
Miscellaneous	74,729	70,948	30,423	72,912	141,723	43,814	38,511	63,074	178,855	176,838
State sources	1,942,038	2,160,087	2,176,594	2,274,101	2,221,910	2,298,994	2,462,241	2,337,033	2,432,808	3,509,288
Federal sources	154,456	150,398	145,479	138,363	166,292	266,946	595,684	329,815	236,249	220,081
Total revenue	7,283,348	7,594,584	7,664,176	7,887,354	8,169,040	8,385,652	8,997,973	8,686,180	9,585,082	11,066,752
Expenditures										
Instruction										
Regular Instruction	2,460,703	2,506,581	2,551,961	2,609,055	2,546,820	2,657,184	2,538,033	2,808,659	2,734,193	3,110,101
Special education instruction	610,411	633,702	580,798	582,171	716,635	934,482	1,025,569	955,143	1,111,966	969,973
Other special instruction	373,422	383,693	373,109	390,920	294,570	17,855	9,622	15,333	32,069	27,384
Other instruction	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	179,243	305,542	235,476	226,702	23,091	-	25,641	62,327	88,357	140,813
Student & instruction related services	773,041	841,611	875,019	792,305	850,484	786,467	1,050,066	1,243,083	1,395,176	1,704,018
General administrative services	407,824	319,185	348,440	366,842	365,544	379,863	405,467	420,708	441,913	468,098
School Administrative services	286,437	197,528	246,962	266,004	251,104	241,411	262,322	256,054	263,644	274,316
Plant operations and maintenance	567,847	545,961	640,508	583,869	564,224	621,490	588,753	621,399	587,226	619,511
Pupil transportation	344,443	396,276	396,168	362,874	372,820	314,185	381,384	432,899	443,375	423,721
Unallocated employee benefits	855,056	978,113	1,077,487	1,242,121	1,293,564	1,467,513	1,763,187	1,751,212	1,903,590	1,925,698
Other Support Services										
Charter Schools	103,269	90,852	48,129	50,434	36,677	62,039	4,417	-	-	15,672
Capital outlay	542,093	53,291	28,547	171,403	715,955	117,768	456,037	1,021,265	193,607	744,552
Debt service:	-	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	7,503,789	7,252,335	7,402,604	7,644,700	8,031,488	7,600,257	8,510,498	9,588,082	9,195,116	10,423,857
Excess (Deficiency) of revenues over (under) expenditures	(220,441)	342,249	261,572	242,654	137,552	785,395	487,475	(901,902)	389,966	642,895
Other Financing Sources (uses)										
Capital Leases										
Proceeds of Refunding Bonds										
Payment to Refunded Bond Escrow										
Transfers in	503,000	-	-	-	-	-	-	-	-	-
Transfers out	(503,000)	-	-	-	(1,000)	(5,000)	-	-	-	-
Total other financing sources (uses)	-	-	-	-	(1,000)	(5,000)	-	-	-	-
Net change in fund balances	$ (220,441)	$ 342,249	$ 261,572	$ 242,654	$ 136,552	$ 780,395	$ 487,475	$ (901,902)	$ 389,966	$ 642,895
Debt service as a percentage of noncapital expenditures	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: ACFR Schedule B-2

HAMPTON TOWNSHIP SCHOOL DISTRICT

GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

Fiscal Year Ended June 30,	Interest on Investments	Prior Year Refunds	Tuition	Miscellaneous	Total
2016	$ 3,803	$ 21,402	$ 12,566	$ 36,958	$ 74,729
2017	4,114	6,584	46,145	11,426	68,269
2018	5,028	24,190	-	466	29,684
2019	5,418	3,692	55,442	1,968	66,520
2020	5,310	-	-	-	5,310
2021	6,268	7,430	129,930	19,730	163,358
2022	6,268	6,007	142,650	1,330	156,255
2023	14,144	386	82,193	22,403	119,126
2024	127,622	1,437	106,621	5,294	240,974
2025	125,845	6	146,096	2,938	274,885

SOURCE: District Records

Hampton Township School District **Exhibit J-6**
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Calendar Year Ended Dec 31	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities **a**	Net Valuation Taxable	Total Direct School Tax Rate **b**	Estimated Actual (County Equalized Value)
2016	$13,984,000	$433,957,400	$32,694,700	$1,003,300	$123,065,400	$548,000	$684,527,488	$78,220,500	$1,054,188	$606,306,988	$0.853	$631,368,182
2017	13,095,800	433,588,100	33,709,700	1,008,400	122,572,200	548,000	683,548,622	78,022,300	1,004,122	605,526,322	0.872	630,209,749
2018	12,400,600	432,598,600	34,224,600	1,045,600	122,911,600	548,000	682,198,600	78,469,600	-	603,729,000	0.872	636,367,807
2019	12,389,400	433,111,100	34,440,400	878,200	122,911,600	548,000	683,886,600	79,607,900	-	604,278,700	0.906	604,275,700
2020	12,074,900	432,891,200	35,749,400	909,100	121,539,600	548,000	683,535,000	79,822,800	-	603,712,200	0.924	662,136,803
2021	12,453,500	432,252,900	36,153,000	842,500	122,846,100	548,000	685,300,200	80,204,200	-	605,096,000	0.941	680,823,136
2022	12,414,700	431,791,100	36,218,400	851,000	122,739,100	1,908,700	686,614,800	80,691,800	-	605,923,000	0.958	680,028,726
2023	11,923,300	434,178,500	36,615,000	829,200	121,865,700	1,908,700	687,844,700	80,524,300	-	607,320,400	1.028	607,320,400
2024	11,590,100	435,749,900	36,198,200	867,200	121,865,700	1,908,700	688,899,900	80,720,100	-	608,179,800	1.122	608,179,800
2025	12,057,300	434,861,300	37,169,300	882,700	121,079,400	1,888,700	689,228,900	81,290,200	-	607,938,700	1.122	894,887,865

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per $100

Hampton Township School District **Exhibit J-7**
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

(rate per $100 of assessed value)

	Hampton Township School District		Overlapping Rates			
Calendar Year Ended Dec 31	Basic Rate [a]	Total Direct	Regional School District	Hampton Township	Sussex County	Total Direct and Overlapping Tax Rate
2016	$0.835	$0.835	$0.804	$0.412	$0.537	$2.588
2017	$0.853	$0.853	$0.853	$0.479	$0.575	$2.811
2018	$0.872	$0.872	$0.885	$0.484	$0.601	$2.842
2019	$0.872	$0.872	$0.885	$0.484	$0.601	$2.842
2020	$0.906	$0.906	$0.921	$0.495	$0.636	$2.958
2021	$0.924	$0.924	$0.907	$0.496	$0.658	$2.985
2022	$0.941	$0.941	$0.902	$0.496	$0.658	$2.997
2023	$0.958	$0.958	$0.929	$0.515	$0.682	$3.084
2024	$1.028	$1.028	$0.928	$0.525	$0.679	$3.160
2025	$1.122	$1.122	$0.980	$0.543	$0.692	$3.337

Source: District Records and Municipal Tax Collector

Note:

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

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

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

Hampton Township School District
Principal Property Tax Payers,
Current Year and Nine Years Ago

Exhibit J-8

Hampton Township

Taxpayer	2025 Taxable Assessed Value	2025 Rank [Optional]	2025 % of Total District Net Assessed Value	2013 Taxable Assessed Value	2013 Rank [Optional]	2013 % of Total District Net Assessed Value
Kere Associates, LLC	15,962,300	1	2.16%			
Wal-Mart Stores	12,990,000	2	2.14%	12,437,700	1	3.58%
Lowe's Home Improvements	15,600,000	3	2.12%			
1-7 Route 206, LLC	8,832,200	4	1.67%			
Ephemeral Realty	8,832,200	5	1.45%			
9-13 Route 206, LLC	5,280,200	6	1.08%			
Sussex County Realty, LLC	5,280,200	7	1.00%			
Carriage Mobile Homes	3,880,000	8	0.64%	2,037,400	7	0.59%
McGuire Hampton Realty	3,179,000	9	0.52%			
Route 206 Northbound, LLC	2,498,100	10	0.43%			
Individual Taxpayer #1				7,748,600	2	2.23%
Susan Elizabeth Shopping Center				5,157,700	3	1.49%
Condit Motors				4,667,700	4	1.34%
Individual Taxpayer #2				3,264,600	5	0.94%
Salerno-Duane				2,113,400	6	0.61%
Toyota Motor Sales				2,002,800	8	0.58%
BPA Realty				1,928,100	9	0.56%
Individual Taxpayer #3				1,732,500	10	0.50%
Total	$ 82,334,200		13.21%	$ 43,090,500		12.42%

Source: District ACFR & Municipal Tax Assessor

Hampton Township School District **Exhibit J-9**
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	$ 5,112,125	$ 5,112,125	100.00%	-
2017	$ 5,213,151	$ 5,213,151	100.00%	-
2018	$ 5,311,680	$ 5,311,680	100.00%	-
2019	$ 5,401,978	$ 5,401,978	100.00%	-
2020	$ 5,535,263	$ 5,535,263	100.00%	-
2021	$ 5,645,968	$ 5,645,968	100.00%	-
2022	$ 5,758,887	$ 5,758,887	100.00%	-
2023	$ 5,874,065	$ 5,874,065	100.00%	-
2024	$ 6,630,549	$ 6,630,549	100.00%	-
2025	$ 7,014,449	$ 7,014,449	100.00%	-

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

Note:

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

Hampton Township School District **Exhibit J-10**
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal 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	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2017	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2018	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2019	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2020	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2021	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2022	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2023	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2024	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
2025	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

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

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

Hampton Township School District **Exhibit J-11**
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

	General Bonded Debt Outstanding				
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2016	-0-	-0-	-0-	N/A	N/A
2017	-0-	-0-	-0-	N/A	N/A
2018	-0-	-0-	-0-	N/A	N/A
2019	-0-	-0-	-0-	N/A	N/A
2020	-0-	-0-	-0-	N/A	N/A
2021	-0-	-0-	-0-	N/A	N/A
2022	-0-	-0-	-0-	N/A	N/A
2023	-0-	-0-	-0-	N/A	N/A
2024	-0-	-0-	-0-	N/A	N/A
2025	-0-	-0-	-0-	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-6 for property tax data.
b Population data can be found in Exhibit NJ J-14.
* Current data unavailable

Hampton Township School District **Exhibit J-12**
Ratios of 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			
Hampton Township	None	100.000%	None
Other debt			
Sussex County	79,054,107	3.795%	$ 3,000,292
Subtotal, overlapping debt			3,000,292
Hampton Township School District Direct Debt			-
Total direct and overlapping debt			$ 3,000,292

Sources: Constituent Townships Finance Officers, Sussex County Finance Office and Utility Authorities

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

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

Hampton Township School District
Legal Debt Margin Information,
Last Ten Fiscal Years

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2025

Equalized valuation basis			
2022		$	796,381,327
2023			893,331,081
2024			989,322,539
	[A]	$	2,679,034,947
Average equalized valuation of taxable property	**[A/3]**	$	893,011,649
Debt limit (2.5% of average equalization value)	**[B]**		22,325,291
Net bonded school debt	**[C]**		-
Legal debt margin	**[B-C]**	$	22,325,291

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Debt limit	$15,548,328	$15,775,905	$15,894,073	$16,168,611	$16,519,423	$16,799,995	$17,401,960	$18,392,079	$20,191,742	$22,325,291
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$15,548,328	$15,775,905	$15,894,073	$16,168,611	$16,519,423	$16,799,995	$17,401,960	$18,392,079	$20,191,742	$22,325,291
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Abstract of Ratables and District Records ACFR Schedule J-7

a Limit set by NJSA 18A:24-19 for a K through 6 district; other % limits would be applicable for other districts

Hampton Township School District **Exhibit J-14**
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population [a]	Personal Income (thousands of dollars) [b]	Per Capita Personal Income [c]	Unemployment Rate [d]
2016	4,945	$276,042,078	$55,872 R	5.1%
2017	4,907	$273,433,719	$57,565 R	5.1%
2018	4,883	$275,071,968	$59,870 R	4.1%
2019	4,872	$288,210,717	$63,036 R	3.6%
2020	4,847	$299,027,394	$66,361 R	10.2%
2021	4,817	$307,247,528	$70,228 R	6.5%
2022	4,914	$333,237,996	$71,343 R	4.7%
2023	4,906	$348,615,454	$75,364 R	5.0%
2024	4,902	$351,331,242	$75,364 *	5.3%
2025	4,938	$372,147,432	$75,364 *	*

Source:

[a] Combined Population information provided by the NJ Dept of Labor and Workforce Development

[b] Personal Income provided by US Dept of Commerce

[c] Per Capita provided by NJ Dept of Labor

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

R =Revised
P =Projected
* Current figure unavailable

Hampton Township School District
Principal Employers,
Current Year and Nine Years Ago

Exhibit J-15

	2025			2016		
Employer	**Employees**	**Rank (Optional)**	**Percentage of Total Employment**	**Employees**	**Rank (Optional)**	**Percentage of Total Employment**
		N/A			N/A	
	-		0.00%	-		0.00%

Source:
Information not available at municipal or county level

Hampton Township School District **Exhibit J-16**
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	29.7	29.7	29.7	29.7	27.3	28.3	28.8	27.6	27.6	26.8
Special education	6.7	6.7	6.7	6.7	8.5	9.8	10.8	10.0	11.5	11.3
Other Special Education	4.7	4.7	3.7	3.7	10.5	8.2	2.0	1.0	1.0	1.0
Other Instruction	3.2	3.2	3.2	3.2	6.4	4.6	3.2	1.0	1.0	4.0
Support Services:										
Student & instruction related services	5.6	5.6	5.6	5.6	3.2	7.1	14.5	20.5	21.0	20.8
School administrative services	3.0	3.0	3.0	3.0	3.0	3.0	2.5	2.5	2.5	2.6
General adminsitrative services	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.3	1.3	1.3
Plant operations and maintenance	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.1	4.1	4.1
Business and Other Support Services	2.0	2.0	2.0	2.0	1.7	1.8	1.8	1.8	1.8	1.8
Total	60.1	60.1	59.1	59.1	65.8	68.0	68.8	69.8	71.8	73.7

Source: District Personnel Records

Hampton Township School District **Exhibit J-17**
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures [a]	Cost Per Pupil	Percentage Change	Teaching Staff [b]	Pupil/Teacher Ratio	Average Daily Enrollment (ADE) [c]	Average Daily Attendance (ADA) [c]	% Change in Average Daily Enrollment	Student Attendance Percentage
2016	292	$ 6,961,696	$ 23,841	12.94%	40.30	7.2:1	293.2	280.8	-7.11%	95.80%
2017	290	7,199,044	24,824	4.12%	40.30	7.2:1	288.4	274.1	-1.63%	95.04%
2018	290	7,374,057	25,428	2.43%	39.30	7.4:1	280.8	270.0	-2.64%	96.15%
2019	286	7,473,297	26,130	2.76%	39.30	9.2:1	278.4	267.8	-0.85%	96.19%
2020	325	7,315,533	22,509	-13.86%	35.83	9.1:1	321.0	311.0	15.30%	96.88%
2021	328	7,482,489	22,812	1.35%	38.10	8.6:1	312.5	303.2	-2.65%	97.02%
2022	302	8,054,461	26,670	16.91%	39.60	7.6:1	300.4	238.8	-3.87%	79.49%
2023	315	8,566,817	27,196	1.97%	37.59	8.4:1	315.1	296.2	4.89%	94.02%
2024	312	9,001,509	28,851	6.08%	39.09	7.8:1	317.6	300.5	0.80%	94.62%
2025	343	9,679,305	28,220	-2.19%	38.10	9.0:1	333.9	316.9	5.13%	94.91%

Sources: District records, ASSA and Schedules J-4.

Note: Enrollment based on annual October district count.

a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-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).

Hampton Township School District **Exhibit J-18**
School Building Information
Last Ten Fiscal Years

District Building	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Elementary										
Marion Emmons McKeown School (1972, 1992)										
Square Feet	60,900	60,900	60,900	60,900	60,900	60,900	60,900	60,900	60,900	60,900
Capacity (students)	474	474	474	474	474	474	474	474	474	474
Enrollment	292	290	290	286	325	328	302	315	312	343

Number of Schools at June 30, 2025
Elementary = 1

Source: District Facilities Office

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

Hampton Township School District

GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
Last Ten Fiscal Years Ending June 30, 2025

Exhibit J-19

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

School Facilities	Project #	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Total
Marion Emmons KcKeown School	N/A	$ 138,304	$ 104,255	$ 107,401	$ 115,325	$ 97,861	$ 117,663	$ 66,331	$ 120,992	$ 100,496	$ 117,071	$ 1,085,699
Grand Total		**$ 138,304**	**$ 104,255**	**$ 107,401**	**$ 115,325**	**$ 97,861**	**$ 117,663**	**$ 66,331**	**$ 120,992**	**$ 100,496**	**$ 117,071**	**$ 1,085,699**

HAMPTON TOWNSHIP SCHOOL DISTRICT

INSURANCE SCHEDULE
June 30, 2025
UNAUDITED

Exhibit J-20

POLICY TYPE	COVERAGE	DEDUCTIBLE
COMMERCIAL PACKAGE POLICY - NJSIG		
Property-Blanket Building and Contents (fund limit)	$ 350,000,000	$ 1,000
LIABILITY - NJSIG		
Comprehensive General Liability	11,000,000	None
Automobile Liability	11,000,000	None
Worker's Compensation	NJ Statutory	
SCHOOL BOARD LEGAL LIABILITY - NJSIG		
Limit of Liability	10,000,000	5,000
Coverage A	10,000,000	5,000
Coverage B	1,000,000	5,000
CRIME - NJSIG		
Blanket Employee Dishonesty	1,000,000	1,000
Forgery	500,000	1,000
Computer Fraud	1,000,000	1,000
Money and Securities	100,000	1,000
PUBLIC EMPLOYEES' FAITHFUL PERFORMANCE		
BLANKET POSITION BOND-Selective Insurance Company		
School Board Administrator & Treasurer	200,000	None
ENVIRONMENTAL SERVICE - NJSIG		
Environmental Impairment	1,000,000	Various

SOURCE: District Records

Single Audit Section

ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

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*

Independent Auditor's Report

Honorable President and
Members of the Board of Education
Hampton Township School District
County of Sussex
Newton, New Jersey 07860

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 Hampton Township School District Board of Education in the County of Sussex, State of New Jersey, as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Hampton Township School District Board of Education's basic financial statements, and have issued our report thereon dated November 3, 2025.

Report on Internal Control Over Financial Reporting

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

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

-Continued-

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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*** or audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

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

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey
November 3, 2025

Anthony Ardito

Anthony Ardito
Certified Public Accountant
Licensed Public School Accountant No. 2369
ARDITO & COMPANY LLC
Frenchtown, New Jersey
November 3, 2025

ARDITO & COMPANY LLC

1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA

Independent Auditor's Report on Compliance For Each Major Program and on Internal Control Over Compliance Required by New Jersey OMB circular 15-08

Honorable President and
Members of the Board of Education
Hampton Township School District
County of Sussex
Newton, New Jersey 07860

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited the Hampton Township School District 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 the District's major state programs for the year ended June 30, 2025. The Hampton Township School District 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, the Hampton Township School District 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; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.* Our responsibilities under those standards, and New Jersey OMB Circular 15-08 are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Hampton Township School District 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 opinion on compliance for each major state program. Our audit does not provide a legal determination of the Hampton Township School District 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 the District's state programs.

-Continued-

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

-Continued-

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 New Jersey OMB circular 15-08, and for New Jersey Department of Education use. Accordingly, this report is not suitable for any other purpose.

Ardito & Company LLC

ARDITO & COMPANY LLC

Frenchtown, New Jersey
November 3, 2025

Anthony Ardito

Anthony Ardito
Certified Public Accountant
Licensed Public School Accountant No. 2369
ARDITO & COMPANY LLC
Frenchtown, New Jersey
November 3, 2025

Schedule of Expenditures of Federal Awards
for the Fiscal Year ended June 30, 2025

Schedule A

Federal Grantor/Pass-through Grantor/Program Title	Federal Assistance Listing No.	FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance At June 30, 2024	Carryover/ Walkover Amount	Cash Received	Budgetary Expenditures	Adjust.	Repayment of Prior Years' Balances	Balance at June 30, 2025 Accounts Receivable	Balance at June 30, 2025 Deferred Revenue	Balance at June 30, 2025 Due to Grantor	Cumulative Total Expenditures
U.S. Department of Education																
Passed-through State Department of Education:																
Special Revenue Fund:																
Title I	84.010	S010A240030	N/A	30,665	7/1/24	6/30/25			$ 16,867	$ (17,618)			$ (13,798)	$ 13,047		17,618
Title I	84.010	S010A230030	N/A	30,490	7/1/23	6/30/24	-		12,510	(12,510)						30,490
Title II (A)	84.367	S367B240027	N/A	5,509	7/1/24	6/30/25			5,509	(5,509)			-	-		5,509
Title II (A)	84.367	S367B230027	N/A	5,009	7/1/23	6/30/24	-		300	(300)						5,009
Title IV	84.424A	S424B240027	N/A	10,000	7/1/24	6/30/25			9,901	(9,901)			(99)	99		9,901
Total ESEA							-	-	45,087	(45,838)	-	-	(13,897)	13,146	-	68,527
I.D.E.A. Part B, Basic Regular	84.027	H027A240100	N/A	110,094	7/1/24	6/30/25			102,207	(102,431)			(7,887)	7,663		102,431
I.D.E.A. Part B, Basic Regular	84.027	H027A230100	N/A	113,033	7/1/23	6/30/24	$ (8,638)		11,222	(2,584)						113,033
I.D.E.A. Part B, Preschool	84.173	H173A240114	N/A	10,124	7/1/24	6/30/25			10,124	(10,124)			-	-		10,124
I.D.E.A. Part B, Preschool	84.173	H173A230114	N/A	10,307	7/1/23	6/30/24	-		558	(558)						10,307
Total Special Education Cluster							(8,638)	-	124,111	(115,697)	-	-	(7,887)	7,663	-	235,895
Small Rural School Achievement	84.358A	S358B240030	S358A242701	39,556	7/1/24	9/30/25			39,556	(39,556)			-	-		39,556
Small Rural School Achievement	84.358A	S358B230030	S358A232591	35,491	7/1/23	9/30/24	(12,327)		18,991	(6,664)						35,491
Total SRSA (REAP)							(12,327)	-	58,547	(46,220)	-	-	-	-	-	75,047
Total Special Revenue Fund							(20,965)	-	227,745	(207,755)	-	-	(21,784)	20,809	-	379,469
U.S. Department of Agriculture																
Passed-through State Department of Agriculture:																
Enterprise Fund:																
Child Nutrition Cluster:																
National School Lunch Program (Food Distribution)	10.555	241NJ304N1199	N/A		7/1/23	6/30/24	3,276			(3,276)						3,276
National School Lunch Program (Food Distribution)	10.555	251NJ304N1199	N/A	11,735	7/1/24	6/30/25			11,735	(8,356)				3,379		8,356
National School Lunch Program	10.555	241NJ304N1199	N/A		7/1/23	6/30/24	(883)		883							
National School Lunch Program	10.555	251NJ304N1199	N/A	36,266	7/1/24	6/30/25			34,298	(36,266)			(1,968)			36,266
School Breakfast Program	10.553	251NJ304N1199	N/A	3,124	7/1/24	6/30/25			2,825	(3,124)			(299)			3,124
P-EBT Administrative Cost	10.646	251NJ304N1803	N/A	643	7/1/24	6/30/25			643	(643)			-			643
Local Food for Schools Cooperative Agreement Program	10.185	Not Available	N/A	839	7/1/24	6/30/25			839	(839)			-			839
School Equipment	10.579	241NJ354N8103	N/A	20,000	8/12/24	9/30/26			20,000	(20,000)			-			20,000
Total Enterprise Fund							2,393	-	71,223	(72,504)	-	-	(2,267)	3,379	-	72,504
TOTAL FEDERAL ASSISTANCE							**$ (18,572)**	-	**$ 298,968**	**$ (280,259)**	-	-	**$ (24,051)**	**$ 24,188**	-	**$ 451,973**

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance are an integral part of this schedule.
Note: This Schedule was not subject to an audit in accordance with OMB Uniform Guidance.

Schedule of Expenditurs of State Financial Assistance
for the Fiscal Year Ended June 30, 2025

Schedule B

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE 6/30/2024	WALKOVER/ CARRY-OVER AMOUNT	CASH RECEIVED	BUDGETARY EXPEND.	ADJUST.	REPAY. OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2025 (ACCTS. RECEIV.)	BALANCE AT JUNE 30, 2025 DEFER. REVENUE	BALANCE AT JUNE 30, 2025 DUE TO GRANTOR	MEMO BUDGETARY RECEIVABLE	MEMO CUMULATIVE TOTAL EXPEND.
STATE DEPARTMENT OF EDUCATION														
General Fund:														
Equalization Aid	25-495-034-5120-078	7/1/24-6/30/25	$ 136,876			$ 136,876	$ (136,876)						$ 13,688	$ 136,876
Transportation Aid	25-495-034-5120-014	7/1/24-6/30/25	187,758			187,758	(187,758)						18,776	187,758
Special Education Aid	25-495-034-5120-089	7/1/24-6/30/25	359,838			359,838	(359,838)						35,984	359,838
Security Aid	25-495-034-5120-084	7/1/24-6/30/25	35,732			35,732	(35,732)						3,573	35,732
Extra-ordinary Aid	24-495-034-5120-044	7/1/23-6/30/24	133,825	$ (133,825)		133,825	-							133,825
Extra-ordinary Aid	25-495-034-5120-044	7/1/24-6/30/25	141,474				(141,474)			$ (141,474)				141,474
Non-Public Transportation Aid	24-100-034-5120-068	7/1/23-6/30/24	7,280	(7,280)		7,280				-				7,280
Non-Public Transportation Aid	25-100-034-5120-068	7/1/24-6/30/25	6,071				(6,071)			(6,071)				6,071
On Behalf TPAF Pension	25-495-034-5094-002	7/1/24-6/30/25	1,069,413			1,069,413	(1,069,413)							1,069,413
On Behalf TPAF Pension PRM	25-495-034-5094-001	7/1/24-6/30/25	312,483			312,483	(312,483)							312,483
On Behalf TPAF Pension LTD Ins	25-495-034-5094-004	7/1/24-6/30/25	586			586	(586)							586
Reimbursed TPAF Soc. Secur. Contrib.	25-495-034-5094-003	7/1/24-6/30/25	226,173	(20,847)		235,621	(226,173)			(11,399)				226,173
Total General Fund				(161,952)		2,479,412	(2,476,404)			(158,944)			72,021	2,617,509
Special Revenue Fund														
Preschool Education Aid	25-495-034-5120-086	7/1/24-6/30/25	554,256	-		554,256	(636,383)	$ 138,564			$ 56,437		69,282	636,383
N.J. Nonpublic Aid:														
Textbooks Aid	25-100-034-5120-064	7/1/24-6/30/25	5,932	87		5,932	(5,932)		$ (87)			-		5,932
Nursing Services	25-100-034-5120-070	7/1/24-6/30/25	15,860	6,622		15,860	(12,780)		(6,622)			$ 3,080		12,780
Technology Aid	25-100-034-5120-373	7/1/24-6/30/25	5,684			5,684	(5,684)		-			-		5,684
Security Aid	25-100-034-5120-509	7/1/24-6/30/25	30,545			30,545	(29,345)		-			1,200		29,345
Auxiliary Services:									-					-
Compensatory Education	25-100-034-512a-067	7/1/24-6/30/25	18,206	4,045		18,206	(14,130)		(4,045)			4,076		14,130
Handicapped Services:									-					
Examination and Classification	25-100-034-512b-066	7/1/24-6/30/25	13,269	3,979		13,269	(9,870)		(3,979)			3,399		9,870
Corrective Speech	25-100-034-512a-066	7/1/24-6/30/25	11,160	744		11,160	(7,261)		(744)			3,899		7,261
Supplementary Instruction	25-100-034-512c-066	7/1/24-6/30/25	9,086	1,404		9,086	(6,195)		(1,404)			2,891		6,195
STATE DEPARTMENT OF COMMUNITY AFFAIRS														
Special Revenue Fund:														
Local Recreation Improvement Grant	2025-495-022-8030-668-FFF-6120	7/1/25-6/30/25	69,000				(69,000)			(69,000)				69,000
Total Special Revenue Fund				**16,881**	**-**	**663,998**	**(796,580)**	**138,564**	**(16,881)**	**(69,000)**	**56,437**	**18,545**	**69,282**	**796,580**
STATE DEPARTMENT OF EDUCATION														
Capital Projects Fund:														
SDA Grant - HVAC	1980-050-23-R503	7/1/24-6/30/25	342,400				(342,400)			(342,400)				342,400
Total Capital Projects Fund				-	-	-	**(342,400)**	-	-	**(342,400)**	-	-	-	**342,400**
STATE DEPARTMENT OF AGRICULTURE														
Enterprise Fund:														
Nat. School Lunch Prog. (State Share)	24-100-010-3350-023	7/1/23-6/30/24		(58)		58								
Nat. School Lunch Prog. (State Share)	25-100-010-3350-023	7/1/24-6/30/25	3,409			3,235	(3,409)			(174)				3,409
Total Enterprise Fund				(58)		3,293	(3,409)			(174)				3,409
TOTAL STATE FINANCIAL ASSISTANCE				**$ (145,129)**	**-**	**$ 3,146,703**	**$ (3,618,793)**	**$ 138,564**	**$ (16,881)**	**$ (570,518)**	**$ 56,437**	**$ 18,545**	**$ 141,303**	**$ 3,759,898**
Less On-behalf TPAF Pension Amounts:														
On Behalf TPAF Pension	25-495-034-5094-002	7/1/24-6/30/25	1,069,413				1,069,413							
On Behalf TPAF Pension PRM	25-495-034-5094-001	7/1/24-6/30/25	312,483				312,483							
On Behalf TPAF Pension LTD Ins	25-495-034-5094-004	7/1/24-6/30/25	586				586							
Total State Expenditures Subject to Major Program Determination							**$ (2,236,311)**							

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

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE
JUNE 30, 2025

NOTE 1. GENERAL

The accompanying schedule of expenditures of state financial assistance includes federal and state award activity of the Board of Education, Hampton Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All state awards received directly from state agencies, as well as state financial assistance passed through other government agencies is included on the schedule of expenditure of state financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A.* 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment 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 last state aid payment in the current budget year, consistent with *N.J.S.A.* 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is ($14,348) for the general fund and ($10,140) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

NOTES TO THE SCHEDULES OF STATE FINANCIAL ASSISTANCE
JUNE 30, 2025

NOTE 3. (Continued)

	Federal	State	Total
General Fund	-	$ 2,462,056	$ 2,462,056
Special Revenue Fund	$ 220,081	704,832	924,913
Capital Projects Fund	-	342,400	342,400
Food Service Fund	72,504	3,408	75,912
Total Financial Assistance	$ 292,585	$ 3,512,696	$ 3,805,281

NOTE 4. RELATIONSHIP TO STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section I - Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
1) Material weakness(es) identified?	___Yes_x_No
2) Were significant deficiencies identified that were not considered to be material weaknesses?	___Yes _x_None Reported
Noncompliance material to financial statements noted?	___Yes_x_No

Federal Awards **Not Applicable**

Internal control over major programs:	
1) Material weakness(es) identified?	___Yes__No
2) Were significant deficiencies identified that were not considered to be material weaknesses?	___Yes ___None
Type of auditor's report issued on compliance for major programs:	N/A
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of ?	___Yes___No

Identification of major programs:

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

Dollar threshold used to distinguish between Type A and Type B programs:	N/A
Auditee qualified as low-risk auditee?	___Yes___No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

State Financial Assistance Section

Dollar threshold used to distinguish between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	x Yes No
Internal Control over major programs:	
1) Material weakness(es) identified?	Yes x No
2) Were significant deficiencies identified that were not considered to be material weaknesses?	Yes x No
Type of auditor's report on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular letter 15-08 as applicable?	Yes x No

Identification of major programs:

State Grant/Project Number(s)	Name of State Program
25-495-034-5120-086	Preschool Education Aid
	State Aid Cluster:
25-495-034-5120-078	Equalization Aid
25-495-034-5120-089	Special Education Aid
25-495-034-5120-084	Security Aid

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Section II-Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the financial statements for which *Government Auditing Standards* requires reporting.

Financial Statement N/A

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

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

Federal Awards N/A

State Awards N/A

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

In accordance with *government auditing standards* , our procedures included a review of all prior year recommendations. There were no prior year findings.

N/A